

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MAY 13, 2004

North Olympic Peninsula Skills Center
905 West 9th Street
Port Angeles, Washington
(360) 565-1533

AGENDA

Time: 8:30 a.m. to 2:45 p.m.

TIME	TOPIC	PRESENTER	DESIRED OUTCOME
8:30-8:40	Welcome/Introductions	David Harrison	Get acquainted and review agenda and goals.
		Clyde Rasmussen North Olympic Peninsula Skills Center	Greetings from Skill Center Director
8:40-9:30	Minutes of March 25, 2004, Board Meeting	David Harrison	Board will act on minutes of March 25, 2004, Board Meeting.
	Chairperson's Report	David Harrison	Board will be updated on current issues of interest.
	Executive Director's Report	Ellen O'Brien Saunders	
	<i>Tab 1</i>		
9:30-10:00	Workforce Investment Act: Recommendations on 10%	Bryan Wilson Janet Bloom Employment Security Department	Board will act on advice to the Governor for use of 10% funds.
	<i>Tab 2</i>		
10:00-10:15	Break	All	Refresh
10:15-11:15	<i>Workforce Training Results 2004</i>	John Bauer	Board will learn of the results of remaining workforce programs and discuss their implications.
	<i>Tab 3</i>		

TIME	TOPIC	PRESENTER	DESIRED OUTCOME
11:15-11:45	Workforce Development Council Certification <i>Tab 4</i>	Pam Lund	Board will act on recommendations to the Governor regarding Workforce Development Council certification.
11:45-12:00	Work Readiness Credential <i>Tab 5</i>	Pam Lund	Board will be updated on the Work Readiness Credential Initiative.
12:00-12:30	Lunch	All	Refresh
12:30-1:30	<i>High Skills, High Wages:</i> Update on Public Review Process and Priorities <i>Tab 6</i>	Bryan Wilson Madeleine Thompson	Board will discuss comments on priorities received through public review process and provide guidance to staff on final product.
1:30-2:00	Carl Perkins Federal Career and Technical Education Funds Budget for '04-'05 <i>Tab 7</i>	Walt Wong	Board will act on budget for federal career and technical education funds.
2:00-2:45	Higher Education Coordinating Board Master Plan <i>Tab 8</i>	Bryan Wilson Jim Sulton, Higher Education Coordinating Board	Board will review Master Plan.
2:45	Meeting Wrap Up and Adjournment	David Harrison	Board will recap its work and the work ahead.

TAB 1

Washington State Workforce Training and Education Coordinating Board
Minutes of Meeting No. 96
March 25, 2004

Chair David Harrison called the meeting to order at 8:35 a.m. at the Department of Information Services Forum Building in Olympia, Washington. The following board members were present:

David Harrison, Workforce Board Chair
Asbury Lockett, Business Representative
Julianne Hanner, Business Representative
Mike Hudson (Alternate for Don Brunell), Business Representative
Rick Bender, Labor Representative, and Randy Loomans
John McGinnis, Labor Representative
Beth Thew, Labor Representative
Sylvia Mundy, Employment Security Department (ESD), and Gary Gallwas
Kyra Kester (Alternate for Terry Bergeson), Superintendent of Public Instruction (OSPI)
Earl Hale, State Board for Community and Technical Colleges (SBCTC), and Jim Crabbe
Ellen O'Brien Saunders, Executive Director

Welcome and Introductions

Mr. David Harrison welcomed the Board and guests and introductions were made.

Minutes of Board Meeting of Meeting No. 95 – January 29, 2004

Mr. Harrison presented the minutes from the January 29, 2004 meeting. Commissioner Sylvia Mundy wanted them corrected to indicate that she made the announcement of Mr. Gary Gallwas' appointment as Deputy Commissioner of ESD. Commissioner Mundy also noted that she suggested the members of the Boeing 7E7 Dreamliner team be introduced.

Motion 04-96-01

A motion was made by Mr. Mike Hudson and seconded by Ms. Beth Thew that the Workforce Training and Education Coordinating Board (Workforce Board) minutes of January 29, 2004, be approved with the corrections noted above. The motion passed.

Chair's Report

Commissioner Mundy announced that she has appointed Mr. Gallwas as her permanent designee for Board meetings.

Mr. Harrison announced that the Washington Award for Vocational Excellence (WAVE) 20th Anniversary celebrations will be held on May 17 in Moses Lake and May 18 in Tacoma. Board members are encouraged to attend.

The Workforce Board will host two public forums to receive stakeholder comment on the draft of *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*. The forums will be in Seattle and Spokane in late April and the Board will be notified once the dates and locations are finalized.

Board members are scheduling visits with local Workforce Development Councils (WDC) for the coming months. Ms. Beth Thew recently attended a meeting of the Eastern Washington Partnership WDC and reported that it was a good meeting and discussion with the council.

The WDCs are again up for recertification and the Board has formed a subcommittee to review the certification requests. There will be a report at the next Board meeting.

Commissioner Mundy noted that ESD just received the state Workforce Investment Act (WIA) allocations and Washington will receive \$6 million less than the previous year (about 6 percent less).

Mr. Harrison congratulated OSPI on the successful passage of legislation that will allow for retakes of the Washington Assessment of Student Learning (WASL) and SBCTC for significant gains in capacity in the supplemental budget, including high-demand FTEs. He also noted that the joint resolution on the Higher Education Coordinating Board (HECB) Interim Master Plan was not adopted. Mr. Hudson noted the passage of HB 3045, which includes a provision for South Seattle Community College to build infrastructure on the Hats and Boots site to create a manufacturing Center for Excellence.

Executive Director's Report

Mr. Wesley Pruitt provided an update on legislative activities from the 2004 session. There was discussion on the high demand increase for SBCTC and how the funds will be used. Mr. Jim Crabbe reported that \$500,000 will be for the Centers for Excellence and \$1 million for integration projects. Mr. Crabbe also noted the proviso in the capital budget to conduct a study on co-locating the Department of Social and Health Services and ESD offices at North Seattle Community College.

Ms. Ellen O'Brien Saunders reported that the HECB is meeting today and she shared material on the HECB Master Plan review process. The handout outlines policy proposals in the plan; governance is not mentioned. The Board will continue communications with the HECB on our input to the plan.

Ms. Saunders spoke about her recent testimony before the U.S. Senate Higher Education, Labor, and Pensions (HELP) Committee in Washington, DC. Both her oral testimony and the longer congressional record are available on the Workforce Board website.

Ms. Saunders also informed the Board that the Section 503 Incentive Grant committee has now reviewed and approved all 12 proposals.

Workforce Training Results

Mr. John Bauer presented information to the Board on results of the first seven major workforce development programs. The results for the remaining four programs will be reviewed at the May meeting. The report focuses on outcomes for participants (both completers and non-completers) who left programs from July 2001 through June 2002. There were several issues and questions that Board members raised that staff will follow up on for the May meeting. Some require more detail to the results information; others require more research or interagency consultation.

High Skills, High Wages 2004 – Chapter One: Washington’s Economy

Mr. Bauer presented information to the Board on the draft economy chapter of *High Skills, High Wages: Washington’s Strategic Plan for Workforce Development*. The presentation summarized current economic conditions, reviewed short-term economic forecasts, and examined longer-term trends affecting the labor market.

The Board discussed globalization impacts in Washington, and Mr. Bauer noted that this topic has not been examined as fully in academic articles as it has in the popular press. The new wave of outsourcing is affecting white-collar knowledge work to a larger degree than in the past. We do not yet know how much outsourcing will affect Washington’s economy or how much it will increase. Mr. Gary Gallwas asked if there was data on insourcing – jobs created by investments made here by foreign companies.

High Skills, High Wages 2004 – Chapter Five: Our Agenda for Action

Ms. Madeleine Thompson presented the draft of Chapter 5: Our Agenda for Action of *High Skills, High Wages: Washington’s Strategic Plan for Workforce Development*. The major changes from the 2002 plan include an increased focus on economic vitality, the high school dropout rate, and work readiness skills. Another change is to document only the lead organizations in the plan. Mr. Hudson noted that all of the lead organizations are public sector agencies and asked if other groups could be lead or co-lead. Ms. Saunders responded that it is a good idea and staff will take another look at this.

Ms. Saunders noted that she would like to have Mr. Tim Stensager from the Franklin-Pierce School District come to a future Board meeting and share their work on career guidance, possibly in the fall of 2004.

Mr. Harrison discussed how he envisions incorporating elements of *High Skills, High Wages* in the future work of the Board. The priority setting for the plan has not occurred yet but will be part of the discussion at the May Board meeting.

The Board discussed the effects of outsourcing. Mr. Earl Hale asked what the role of workforce training in such an environment is. How do we prepare people for good jobs in this environment? Mr. Bender noted it is good that the Board is looking at this.

Board staff will incorporate some of this feedback into the draft of *High Skills, High Wages* prior to sending it out for public comment.

Motion 04-96-02

A motion was made by Mr. McGinnis and seconded by Mr. Hale to adopt the draft 2004 edition of *High Skills, High Wages: Our Agenda for Action* for the purpose of public review and comment. The motion passed.

Workforce Board Strategic Plan 2005-07

Ms. Saunders noted that the Board subcommittee met to review the Agency Strategic Plan for 2005-07, and suggested changes in the Vision, Mission, and Goals. During Board discussion on the draft goal of Advocacy/Awareness, Ms. Saunders indicated adding language regarding the focus on the non-baccalaureate level. Ms. Saunders also noted the plan is due to the Office of Financial Management in May, which is why the Board must approve the plan for submission now. There will be some more adjustments to the objectives and strategies after the 2004 version of *High Skills, High Wages* is completed in order to include assignments from that plan for the Workforce Board.

Motion 04-96-03

A motion was made by Mr. Hale and seconded by Mr. Gallwas to adopt the 2005-07 Agency Strategic Plan for submittal to the Office of Financial Management with the change on the Advocacy/Awareness goal noted by Ms. Saunders. The motion passed.

Eligible Training Provider List Policy

Mr. Bryan Wilson and Ms. Karen Pyle informed the Board on the proposed changes to the policy used to determine eligibility for programs on the Eligible Training Provider List. There are two recommended changes: update the current earnings criteria to match the latest poverty thresholds; and require the posting of information on the performance and cost of programs. On the latter recommendation, affected programs were notified of the proposed change and out of some 400 programs, only two objected.

The Board discussed how the current policy on completion rate affects apprenticeship programs. The apprenticeship community supports keeping the current policy on completion; Ms. Thew concurred with this position. Mr. Wilson added that staff is looking at which WDCs have been successful in using Individual Training Accounts for apprentices, as this information may be useful for others to expand support to the programs and people wishing to participate.

Motion 04-96-04

A motion was made by Mr. Hudson and seconded by Commissioner Mundy to adopt the performance criteria for determining training provider eligibility and the policy for disseminating program information. The motion passed.

Workforce Investment Act (WIA) 10 Percent Funds

Mr. Wilson and Ms. Janet Bloom presented information to the Board on draft recommendations to the Governor on how to use the WIA Title I funds (10 percent funds) for statewide activities. The Board discussed the budget priorities for 2004 and after completed allotments are known, final recommendations will be presented to the Board to act on at the May Workforce Board meeting.

The required activities include: Eligible Training Provider List and evaluations; incentive grants for exemplary performance; development and expansion of One-Stop system; assist areas with a high concentration of eligible youth; operate a fiscal and management information system; and technical assistance. It was pointed out that there will be fewer funds available than previously anticipated (as noted in the morning discussion on this topic). It was also noted that Governor Locke has already committed \$1 million of carry-forward funds for apprenticeship and a substantial amount for the Boeing 7E7 Dreamliner project. Mr. Hale indicated that he was unaware of the money towards apprenticeship. The Board discussed the issue of tuition waivers for apprenticeship participants. Ms. Saunders noted that she did not think that the new funding is envisioned to address tuition waivers. Mr. Harrison asked to have follow-up information after the Requests for Proposal process for this new apprenticeship funding is complete.

Ms. Thew asked where incumbent workers fit with the budget priorities; Mr. Hale responded that a lot of incumbent worker training is done with funding other than from the state and is not reflected here. Mr. Harrison noted to flag this issue for follow-up.

The draft recommendation on budget priorities for the WIA 10 percent funds is that there will be zero in the reserve fund for 2004-05 due to the commitments on apprenticeship and Boeing 7E7. Ms. Bloom noted that she and Mr. Gallwas met with the Washington Workforce Association to learn of their views on how the WIA 10 percent money should be allocated. Their preference is that the funds for incumbent worker training and skill panels be in one allocation equally shared among the areas, allowing them flexibility to determine the distribution among the two purposes; and funds for youth dropout prevention programs should combine 2003 and 2004 money in one allocation. Mr. Wilson asked the Board for guidance on their priorities to be considered in deciding what areas not to cut when adjusting the recommendations by the reduced allocations from the U.S. Department of Labor. Ms. Kester indicated support for the youth dropout prevention and retrieval initiative and for recognition of population differences in the allocation of funds. Mr. Harrison expressed support for skill panels. Board staff and staff from ESD will make final recommendations for Board action in May.

Carl D. Perkins Vocational and Technical Education Act – PY 2004 Federal Funds Distribution

Mr. Walt Wong and Mr. Wilson provided background information to the Board on the current uses of the Carl D. Perkins Vocational and Technical Education Act funds and recommendations on uses of funds for Program Year 2004 (July 2004-June 2005). The recommendation is that the formula distribution for secondary and postsecondary remains the same as in previous years and

that the Board work in the summer and fall to assess how funds are used to support program goals.

Mr. Wong said that the timeline for this future work is included in the tab. Mr. Harrison noted that the timeline includes work with OSPI and SBCTC to meet timelines for local guidelines. At the May Workforce Board meeting, the Board will act on the 2004 Federal Distribution Matrix.

Work Keys Presentation

Ms. Cindi Price (Shoreline Community College), Ms. Lynell Amundson (Lower Columbia Community College), Ms. Kim Cheatley (Steelscape), Mr. Roy Sebrum (Kelso Community Service Office), Mr. Chris Barnham (Clark College), and Mr. Tom Kilijaneck (ACT Inc.) presented the Board with information on the WorkKeys program in Washington State. Ms. Cheatley discussed Steelscape's partnership with Lower Columbia Community College on administering asset tests to job applicants. Steelscape has been very pleased with this activity and the results. Mr. Kilijaneck discussed how WorkKeys is used by employers and others for skill assessments. Mr. Barnham also discussed how Clark College uses WorkKeys for the WorkFirst customized training and suggested it as a system or tool that can bring all workforce development programs to the table on skill assessment issues. Mr. Harrison asked where the funding for WorkKeys comes from. It was noted the money came from TANF/WorkFirst for the pilot and that employers also contributed. Mr. McGinnis asked if WorkSource has built a standard for the jobs profiled under WorkKeys. Mr. Sebrum responded that they are working with WorkSource on this. Ms. Thew asked if this was used with high school youth and Ms. Amundson responded that some high schools are using the training part of the program in career centers and students are getting workplace skills certificates.

The meeting adjourned at 3:30 pm.

Ellen O'Brien Saunders, Secretary



Vetoed Workforce-Related Bills – 2004 Session

SSB 5677 – Education Summit Prime Sponsor: Senator McAuliffe

Bill Summary:

In September or December, an annual meeting must be held to discuss issues of cross-sector relevance. The meeting shall have a focused agenda on issues including, but not limited to, efforts to improve articulation; the role of advising and assessment; and development of standards for the knowledge and skills students need to be ready for college-level work.

Participants in the annual meeting are the State Board of Education (SBE), the Higher Education Coordinating Board (HECB), the Office of Superintendent of Public Instruction (OSPI), the State Board for Community and Technical Colleges (SBCTC), the Council of Presidents (COP), the Workforce Training and Education Coordinating Board (WTECB), and legislative members of the House and Senate education, higher education, and fiscal committees.

Beginning in 2004 with COP, responsibility for coordinating and summarizing the meeting results and proposing an action plan rotates among the participating agencies.

Veto Message:

“...Current law and other bills passed by the Legislature in the 2004 session duplicate the requirements of this bill. (See RCW 28A.305.285; Substitute House Bill No. 2382; Substitute Senate Bill No. 5139; Engrossed Substitute House Bill 2459, Section 602 (15); and Substitute House Bill 3103.)”

SB 6561 – Dual Enrollments Prime Sponsor: Senator Carlson

Bill Summary:

SBE, HECB, COP, OSPI, representatives from secondary school principals and school district superintendents, and WTECB are instructed to expand and strengthen dual enrollment programs by removing barriers and creating incentives.

The expansion of dual enrollment programs on high school campuses is not intended to reduce dual enrollment programs on college campuses.

By December 15, 2004, the group reports to the education and higher education committees of the Legislature on actions taken to eliminate barriers and create incentives. The report includes actions for the Legislature to take to encourage the availability of dual enrollment and programs on high school campuses.

Veto Message:

“...I strongly agree with the intent of this bill. However, Substitute House Bill No. 3103 provides ample direction to the appropriate state boards and agencies with regard to expanding dual enrollment options for students. OSPI, SBCTC, and HECB are responsible for implementing dual enrollment programs on high school campuses. I intend to work with these agencies to create incentives to offer these programs and remove barriers that inhibit their availability. A report on the results of these efforts will be submitted to the Legislature by December 15, 2004.”

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

SCHEDULE OF WORKFORCE DEVELOPMENT COUNCIL VISITS 2004

Workforce Development Council	Board Member or Representative	Dates Scheduled
Benton-Franklin	David Harrison	7/27
Eastern Washington Partnership	Beth Thew	2/26
North Central	David Harrison	To be scheduled
Northwest	Jim Crabbe	8/25
Olympic	Julianne Hanner	9/14
Pacific Mountain	Sylvia Mundy	6/10
Seattle-King County	Asbury Lockett	6/18
Southwest Washington	Rick Bender	9/8
Snohomish County	Tony Lee	11/2
Spokane County		6/9
Tacoma-Pierce County	John McGinnis	To be scheduled (WDC meets 3 rd Thursday of each month)
Tri-County	Mike Hudson	8/10



Public Awareness Initiative

The Workforce Training and Education Coordinating Board (Workforce Board) will conduct an initiative to increase public awareness of the dropout issue in collaboration with operating agency partners and other stakeholder organizations.
ADOPTED by the Workforce Board, November 2003

State and local workforce partners will work together to bring more public attention to increasing the high school graduation rate. The general public as well as key leaders in business, labor, education, and the non-profit sector will become aware of our state's on-time graduation rates, the consequences of dropping out, and what can be done to improve kids' chances for success. Succeeding in increasing the on-time graduation rate will benefit all partners in the workforce development system.

As an initial step, the operating agency partners have planned a grass roots campaign to start in mid July to follow the announcement of the Office of Superintendent of Public Instruction's release of 2003 graduation rates. It will include the introduction of a briefing paper to identify the problem, consequences, and sample interventions that work.

The campaign will include:

- Strategically-placed OpEd pieces
- Letters to the Editor
- Briefings to interested groups, such as college boards of trustees, chambers of commerce, workforce development councils, etc.
- Presentations at conferences
- Informal discussions with legislators and legislative staff
- Exhibits at appropriate conferences
- Publicity about the WIA/BEA initiative

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
May 13, 2004**

WORKFORCE BOARD OPERATING BUDGET

Background:

In August of 2002, the Board adopted the agency's 2003-05 biennial budget containing its strategic plan and appropriations for FY 2004 and FY 2005. At this meeting, the Board will review and adopt the operating budget for FY 2005.

The agency's operating budget is guided by the goals, objectives, and strategies contained in its strategic plan. The seven goals in the plan have measurable outcomes and objectives with corresponding strategies. These strategies represent the agency's work plan and resources are aligned to address them. The operating budget defines the categories of anticipated expenditures necessary to accomplish this work. The strategic plan for 2003-2005 is included as Appendix 1. A summary of programs provides a quick reference to the relationship of budgeted programs to the goals, objectives, and strategies of the agency strategic plan and identifies the agency's total resources and specific resource for each program. The Agency Source of Funds and Operating Budget Sheet for FY 2005 follows the Program Summary.

Appendix 2 contains a comparison by program for FY 2004 and FY 2005 of the major cost categories including salaries, fringe benefits, goods and services, travel, contracts, and grants.

Board Action Requested: Adoption of the motion.

RECOMMENDED MOTION

Whereas, The Workforce Training and Education Coordinating Board adopted the agency strategic plan for 2003-2005 containing goals, objectives, and strategies for accomplishing its work, and

Whereas, The 2003-2005 Supplemental Biennial Budget is enacted containing appropriations for the Workforce Training and Education Coordinating Board for the period July 1, 2004 through June 30, 2005, and

Whereas, Each year, the Workforce Training and Education Coordinating Board adopts the operating budget of the agency to align resources with its work plan,

Now, Therefore, Be It Resolved, That the Workforce Training and Education Coordinating Board approve the Agency Source of Funds and Operating Budget for the period July 1, 2004 to June 30, 2005.

Workforce Training and Education Coordinating Board Program Summary

ALL PROGRAMS - \$28,157,304

- Achieve the goals, objectives, and strategies contained in the agency's Strategic Plan for 2003-2005.
- Provide for leadership, coordination, and implementation of the goals, objectives, and strategies in Washington's Strategic Plan for Workforce Development.

WORKFORCE POLICY - \$1,502,767

- Address the content and timelines of statutory requirements in RCW 28C.18; activities identified in the Governor's Office Memorandum of March 9, 1999; and direction provided in Governor Locke's Executive Order 99-02.
- Provide policy analysis and advice at the national, state, and local levels for workforce issues, including career and technical education.
- Lead development of a performance management system that results in continuous quality improvement, including required accountability for state and federal programs.
- Match the Carl Perkins administrative requirements while contributing to the workforce training and education system as a whole.
- Provide fiscal and program oversight of the Inland Northwest Technology Center (INTEC).

PRIVATE VOCATIONAL SCHOOLS ACT - \$133,833

- Administer an effective and efficient licensing system for private vocational schools, including pre-license technical assistance and electronic license filing.
- Investigate and resolve student concerns and complaints.
- Provide staff support to the Private Vocational School Advisory Committee.
- Collaborate and coordinate with the U.S. Department of Education, Washington Federation of Private Career Schools, and other federal and state agencies and others involved in licensing activities.
- Support the role of private career schools within the workforce development system.

TUITION RECOVERY TRUST FUND - \$32,810

- Administer a tuition guaranty fund for students enrolled in private vocational schools.

CARL PERKINS VOCATIONAL EDUCATION - \$24,678,500

- Administer and provide state leadership for activities required and allowed by the Carl Perkins Act of 1998, including programmatic and fiscal responsibilities as the sole state agency.
- Provide opportunities to promote and foster the relationship between Carl Perkins programs and activities and the larger workforce training and education system in the area of planning, coordination, and evaluation.
- Lead and support the promotion of partnerships among business, education, industry, labor, community-based organizations, and government.
- Integrate and coordinate with other federal acts including, but not limited to, the Workforce Investment Act.

VETERANS COURSE APPROVAL - \$179,394

- Administer an effective and efficient program of approving occupational courses and programs for veterans and their beneficiaries.
- Coordinate activities with the U.S. Department of Veterans Affairs, National Association of State Approving Agencies, the Higher Education Coordinating Board, the State Board for Community and Technical Colleges, and others.
- Investigate and resolve occupational education-related veterans' concerns and complaints.

WORKFORCE INVESTMENT ACT - \$1,630,000

- Conduct on-going planning and coordinating activities identified in the state's Workforce Development Plan including strategic and technical support to local workforce development councils.
- Implement evaluation and accountability activities and technical assistance efforts associated with meeting the performance measurement requirements of state and federal law for workforce development.
- Promote and assist with Economic Development/Cluster Strategy using industry Skill Panels, especially in the area of health care.
- Support the activities of the Board as it carries out its role as the state Workforce Investment Board.
- Implement elements of statewide infrastructure including maintenance of Eligible Training Provider list and Job Training Results web based reporting.
- Support the recommendations of the Health Care Personnel Shortage Task Force.

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

Agency Source of Funds and Operating Budget July 1, 2004 – June 30, 2005

Source of Funds For Budget

General Fund – State Appropriation	1,636,600
Tuition Recovery Trust Fund (State)	32,810
General Fund – Federal Appropriation	24,857,894
Interagency Contract (Federal – WIA)	<u>1,630,000</u>
Total Funds Available	\$28,157,304

Operating Budget by Cost Category

	Total
Staff	28.0
Salaries	1,541,814
Benefits	313,158
Goods & Services (i.e., rent, utilities, service agency costs, etc.)	481,600
Travel	79,117
Contracts (i.e., evaluation, conference support, etc.)	530,000
Grants (i.e., OSPI, SBCTC, ESD, INTEC, SKILLS)	<u>25,211,615</u>
Total Budget	\$28,157,304

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

Agency Source of Funds and Operating Budget Detailed Comparison by Program

Source of Funds for Budget	FY 2004		FY 2005	
General Fund – State Appropriation	1,666,000		1,636,600 (1)	
Tuition Recovery Trust Fund (State)	32,810		32,810	
General Fund – Federal Appropriation	24,357,559		24,857,894 (2)	
Interagency Contract (Federal – WIA)	2,160,000		1,630,000 (3)	
Total Funds Available	28,216,369		28,157,304	

Budget by Program

	Workforce Policy		Private Schools/TRTF		Carl Perkins Voc Ed		Vets Course Approval		Workforce Investment Act		Total	
	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005
Staff	10.0	10.0	2.0	2.0	6.2	6.2	1.8	1.8	8.0	8.0	28.00 (4)	28.00 (4)
Salaries	569,499	570,613	99,745	99,745	329,992	330,675	92,113	92,113	445,341	448,668	1,536,690 (4)	1,541,814 (4)
Benefits	107,597	113,894	20,226	21,448	64,228	68,067	18,413	19,515	85,007	90,234	295,471 (4)	313,158 (4)
Goods & Services	205,743	172,000	40,800	34,400	125,398	106,640	33,300	30,960	161,329	137,600	566,570 (5)	481,600 (5)
Travel	28,400	21,260	5,800	11,050	18,267	26,503	4,126	6,806	23,323	13,498	79,916	79,117
Contracts	136,000	140,000	-0-	-0-	94,000	100,000	-0-	30,000	635,000	260,000	865,000 (6)	530,000 (6)
Grants	485,000	485,000	-0-	-0-	23,577,722	24,046,615	-0-	-0-	810,000	680,000	24,872,722 (7)	25,211,615 (7)
TOTAL	1,532,239	1,502,767	166,571	166,643	24,209,607	24,678,500	147,952	179,394	2,160,000	1,630,000	28,216,369	28,157,304

Notes to Source of Funds:

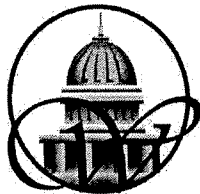
1. General Fund – State Appropriation includes funding for Workforce Policy activities and administration of the Private Vocational Schools Act. Workforce Policy includes required match for state administration of the Carl Perkins Act. The FY 2005 level of \$1,636,600 reflects a decrease of \$29,400.
2. General Fund – Federal Appropriation includes funding for Carl Perkins Act administration and leadership activities and administration of the Veterans Act Course Approval Program. FY 2005 reflects an increase of \$468,893 in Perkins funds.
3. Interagency Contract includes funding for the Workforce Investment Act activities provided by the Employment Security Department. FY 2005 reflects a decrease of \$530,000 in Workforce Investment Act funds.

Notes to Proposed Budget:

4. Current FTE staff levels and salaries and benefits appear fully funded in the budget.
5. Goods and Services include: rentals/leases, printing, communication, supplies, equipment, training, and state agency services (financial, audit, information services, attorney general, personnel, etc.)
6. Contracts include: assessment, evaluation, and accountability services; survey work; conference support; and health care and other partnership development efforts.
7. Grants include state funds to INTEC; Perkins funds to OSPI (local school districts), SBCTC (community/technical colleges), and ESD (offender programs); and WIA funds for Skills Grants.

Workforce Training and Education
Coordinating Board

STRATEGIC PLAN
2003-2005



Workforce Training and Education Coordinating Board
128 10th Avenue SW
PO Box 43105
Olympia, WA 98504-3105
(360) 753-5662
FAX (360) 586-5862
<http://www.wtb.wa.gov>
Email: wtecb@wtb.wa.gov

Our Vision

The Workforce Training and Education Coordinating Board is Washington State's valued and trusted source of leadership for the workforce development system.

Our Mission

The Workforce Training and Education Coordinating Board's mission is to bring business, labor, and the public sector together to shape strategies to best meet the state and local workforce and employer needs of Washington in order to create and sustain a high skill, high wage economy.

To fulfill this Mission, Board members, with support of staff, work together to:

- Advise the Governor and Legislature on workforce development policy.
- Promote an integrated system of workforce development that responds to the lifelong learning needs of the current and future workforce.
- Advocate for the nonbaccalaureate training and education needs of workers and employers.
- Facilitate innovations in workforce development policy and practices.
- Ensure system quality and accountability by evaluating results and supporting high standards and continuous improvement.

S = Strategy to meet state statute or Executive Order requirement.

F = Strategy to meet federal government requirement.

H = Assigned in "High Skills, High Wages" 2002.

Our Goals

System Building: We will achieve meaningful results by working with all partners to build an integrated and efficient workforce development system out of the many different programs.

Partnership Building: We will achieve meaningful results in bringing together state and local as well as public and private sector partners for workforce development, especially on cross-agency issues.

Advocacy/Awareness: We will increase awareness of the importance of education and training for jobs that do not require a baccalaureate degree.

Policy Innovation: We will develop viable recommendations and innovations in workforce development policies and practices.

Customer Service: We will provide services, products, and information that are valued by our customers.

Internal Business Process/Financial: We will continuously improve the quality and efficiency of our organization.

Human Resources: We will develop and sustain a work environment that attracts, retains, and develops committed employees who share in the success of the organization.

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Goals, Objectives, and Strategies

GOAL 1 – System Building

We will achieve meaningful results by working with all partners to build an integrated and efficient workforce development system out of the many different programs.

Outcome Measure: Workforce system partners' assessment of progress in system building.

Objective 1A. Update and Implement Washington's Unified Plan for Workforce Development.

	Strategies	03-04	04-05
1A-1	Update State Strategic Plan. S	T	
1A-2	Review operating plans for consistency with the State Strategic Plan. S		T
1A-3	Make recommendations on budget and policy requests regarding consistency with the Plan. S	T	T
1A-4	Use federal funds to accomplish the goals of the Unified Plan. F	T	T
1A-5	Provide Annual Report to the Legislature. S	T	T

Objective 1B. Maintain and improve performance management system for workforce development.

	Strategies	03-04	04-05
1B-1	Prepare and disseminate WIA Title 1B quarterly reports. F	T	T
1B-2	Prepare and disseminate WIA Title 1B annual report. F	T	T
1B-3	Prepare Carl Perkins annual report (performance section). F	T	T
1B-4	Prepare Workforce Training Results 2004. S		T
1B-5	Update Regression Models. F	T	T
1B-6	Identify WIA incentive allocations. F	T	T
1B-7	Renegotiate Perkins performance levels with Department of Education. F	T	T
1B-8	Renegotiate WIA Title 1 performance levels with Department of Labor. F	T	T
1B-9	Update training provider performance standards. S, F	T	T
1B-10	Measure HSHW Performance Measures. S	T	T
1B-11	Conduct special research projects.	T	T
1B-12	Incorporate the Department of Services for the Blind into the performance management system. S	T	
1B-13	Assist in developing WIA Title 1 and WorkSource management data.	T	T
1B-14	Modify secondary CTE measures. F	T	T

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Objective 1C. Facilitate career and educational pathways.

	Strategies	03-04	04-05
1C-1	Support the expansion of apprenticeship training in emerging fields and expand apprenticeship preparation programs in high demand clusters including construction. S, H	T	T
1C-2	Help increase the number of individuals prepared to teach in high wage, high demand fields. H	T	T
1C-3	Help ensure all youth are aware of the range of career choices available including high wage, high demand occupations, and non-traditional occupations. H	T	T
1C-4	Manage the "Career Guide."	T	T
1C-5	Help expand the ability of higher education institutions to recognize and grant credit for competencies obtained through other educational institutions and employment. S, H	T	T
1C-6	Help provide support to employers in supplying work-based learning opportunities based on individual career plan. H	T	T
1C-9	Support drop out prevention and retrieval programs.	T	T
1C-10	Promote the use of industry skill standards in education and industry.	T	T
1C-11	Help highlight and replicate best practices from around the state and nation in career and technical education. H	T	T
1C-12	Facilitate the full utilization of Apprenticeship facilities.	T	T
1C-13	Support the development of career ladders leading to high wage, high demand occupations. H	T	T
1C-14	Help facilitate the transfer of information among workforce development programs serving youth. H	T	T
1C-15	<u>Coordinate state's involvement in National Institute for Literacy Work Readiness Credential initiative.</u>	<u>T</u>	<u>T</u>

Objective 1D. Assist in development of WorkSource Career Development Center System.

	Strategies	03-04	04-05
1D-1	Participate in the WorkSource Operations Team and support state and local teams implementing WorkSource. H	T	T
1D-2	Help understand and respond to the needs of business customers and implement a coordinated, comprehensive strategy among WorkSource partners. H	T	T
1D-3	Help to improve customer service by collecting and using customer feedback, providing electronic services, and sharing information on customer service best practices. H	T	T

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	Strategies	03-04	04-05
1D-4	Help to provide a statewide information system (SKIES) for case management that is shared by WorkSource partners. H	T	T
1D-5	Help to develop systems to track and report core WorkSource services. H	T	T
1D-6	Help to find financial resources to sustain the WorkSource delivery system infrastructure. H	T	T
1D-7	Help to provide individuals with disabilities with equal opportunities to benefit from WorkSource services. H	T	T
1D-8	Help to increase outreach, recruitment and marketing activities conducted in partnership with tribes and community based organizations serving targeted populations. H	T	T
1D-9	Encourage diversity among the membership of local Workforce Development Councils and WorkSource staff to reflect the diversity of the community being served. H	T	T

Objective 1E. Maintain information on workforce development programs.

	Strategies	03-04	04-05
1E-1	Establish and maintain an inventory of the programs of the workforce development system. S	T	
1E-2	Develop, promote, and maintain Job Training Results. S, F	T	T
1E-3	Develop, promote, and maintain Eligible Training Provider List. S, F	T	T

GOAL 2 – Partnership Building

We will achieve meaningful results in bringing together federal, state and local, as well as public and private sector partners for workforce development, especially on cross-agency issues.

Outcome Measure: Key workforce development system partners' assessment of effectiveness/contribution in partnering with them to meet local and state goals.

Objective 2A. Support development of business and labor capacity as partners in the workforce development system.

	Strategies	03-04	04-05
2A-1	Work with statewide business and labor organizations to strengthen their capacity as leaders in the workforce development system.	T	T
2A-2	Work with industry trade associations to help meet their workforce needs.	T	T

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Objective 2B. Provide state leadership and support to Workforce Development Councils and Chief Local Elected Officials.

	Strategies	03-04	04-05
2B-1	Assist Workforce Development Councils in updating their Strategic Plans. S		T
2B-2	Assist Workforce Development Councils to implement their local unified plan strategies and assist Councils in their support of goals, objectives, and strategies of the state's strategic plan for workforce development.	T	T
2B-3	Identify resources for Workforce Development Councils in order to support their goals.	T	T
2B-4	In collaboration with Employment Security, offer assistance and resources for successful Workforce Investment Act implementation.	T	T
2B-5	Facilitate opportunities for meaningful engagement on workforce development issues with the Board and other state level agencies.	T	T
2B-6	Negotiate local performance targets for WIA Title 1B. F	T	
2B-7	Negotiate local performance targets for WorkSource. H		T
2B-8	Facilitate recertification of local councils. F	T	
2B-9	In collaboration with the Employment Security Department, offer assistance and support to foster successful Youth Councils.	T	T
2B-10	Systematically identify and promote resources that can add value to state and local workforce system development efforts.	T	T
2B-11	Provide Workforce Development Councils with local area information from WTECB research.		T
2B-12	Encourage diversity among the membership of local Workforce Development Councils. H	T	

Objective 2C. Coordinate workforce development with economic development.

	Strategies	03-04	04-05
2C-1	Form and support industry skill panels, especially in high demand economic clusters such as health care and information technology, to assess emerging and declining skill needs and develop training programs. H	T	T
2C-2	Support targeting of workforce development to key economic clusters. S, H	T	T
2C-3	Promote lessons learned in SKILLS projects. H	T	T
2C-4	Increase publicly supported customized incumbent worker training, and provide incentives to both employers and employees for this type of training. H	T	T

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	Strategies	03-04	04-05
2C-5	Help support the provision of high quality labor market information, especially in high demand clusters. H	T	T

Objective 2D. Provide state leadership and support to private career schools.

	Strategies	03-04	04-05
2D-1	Administer the Private Career School Act and Veterans' Approval program in a manner that promotes private-public partnerships. S	T	T
2D-2	Engage the Private Vocational School Advisory Committee to ensure private career school involvement in workforce training initiatives.	T	T

GOAL 3 – Advocacy/Awareness

We will increase awareness of the importance of education and training for jobs that do not require a baccalaureate degree.

Outcome Measure: Increase the number of young people who enroll in postsecondary vocational-technical education programs.

Objective 3A. Increase awareness regarding the activities and importance of the workforce development system.

	Strategies	03-04	04-05
3A-1	Update the Gap Analysis and promote its findings. S	T	T
3A-2	Help form partnerships with industries to market their career opportunities to youth and their parents. S, H	T	T
3A-3	Develop and implement agency marketing plan to implement advocacy for skilled workforce. S	T	T
3A-4	Promote the benefit of career and technical education in helping young people meet higher standards and expectations in high school and in preparing them for careers and further education.	T	T
3A-5	Administer and promote the Washington Award for Vocational Excellence. S	T	T
3A-6	Conduct the employer survey and promote its findings. S	T	
3A-7	Host conference for workforce development leaders (with emphasis on private sector representation) to promote best practices, facilitate engagement in policy development, and foster partnerships.	<u>T</u>	T

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GOAL 4 – Policy Innovation

We will develop viable recommendations and innovations in workforce development policies and practices.

Outcome Measure: K-12 policies are adopted that promote career pathways for youth.

Outcome Measure: Number of students that complete postsecondary vocational-technical education programs.

Objective 4A. Develop recommendations and influence state policies to advance the four goals in “High Skills, High Wages.”

	Strategies	03-04	04-05
4A-1	Develop and advocate policies that promote career pathways for youth. S	T	T
4A-2	Develop and advocate policies that reduce the gap in the supply of postsecondary vocational training, including new programs, increased student enrollments and worker retraining, especially in high demand clusters. S, H	T	T
4A-3	Develop and advocate policies to coordinate workforce and economic development.	T	T
4A-4	Develop and advocate policies that serve incumbent and dislocated workers, including a coherent, feasible, and accessible dislocated worker strategy. S, H	T	T
4A-5	Develop and advocate policies for wage progression, including and especially programs with demonstrated success, increased training opportunities and financial incentives for training. S, H	T	T
4A-6	Develop and advocate policies that promote workforce system integration. H	T	T
4A-7	Convene partner agencies to fulfill the requirements of Senate Joint Memorial 8014 on employment and training services for disabled persons. S	T	T
4A-8	Convene work groups on emerging issues.	T	T
4A-9	Convene work group on health care shortage.	T	T

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Objective 4B. Develop recommendations and influence federal policies to advance the four goals in “High Skills, High Wages.”

	Strategies	03-04	04-05
4B-1	Develop and advocate policies for the reauthorization of WIA and Perkins. S	T	
4B-1	Develop and advocate policies on emerging federal issues. S	T	T

Objective 4C. Advise the Governor and Legislature on implementation of new federal workforce development policies.

	Strategies	03-04	04-05
4C-1	<u>Advise the Governor and the Legislature on integrating the reauthorized Workforce Investment Act into the state’s workforce development system.</u> F	<u>T</u>	<u>T</u>
4C-2	<u>Advise the Governor and the Legislature on integrating the reauthorized Carl Perkins Act into the state’s workforce development system.</u> F	<u>T</u>	<u>T</u>

GOAL 5 – Customer Service

We will provide services, products, and information that are valued by our customers.

Outcome Measure: Results from customer satisfaction surveys.

Objective 5A. Understand customer requirements, expectations, and dissatisfiers and improve products and services.

	Strategies	03-04	04-05
5A-1	Design and implement meaningful customer involvement and feedback in our processes.	T	T
5A-2	Make improvements in products and services as identified through customer feedback.	T	T

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GOAL 6 – Internal Business Process/Financial

We will continuously improve the quality and efficiency of our organization.

Outcome Measure: Score on agency annual self-assessment.

Objective 6A. Improve categories on the agency self-assessment.

	Strategies	03-04	04-05
6A-1	Analyze one or two strategic processes and deploy improvements.	T	T
6A-2	Identify and implement other opportunities for streamlining agency processes.	T	T
6A-3	Regularly update outcome and output Balanced Scorecard measures and review results.	T	T
6A-4	Enable licensed private schools to conduct business fully electronically.	T	T
6A-5	Identify elements needing improvement from the agency self-assessment and implement improvements.	T	T

GOAL 7 – Human Resources

We will develop and sustain a work environment that attracts, retains, and develops committed employees who share in the success of the organization.

Outcome Measure: Score on annual employee survey.

Objective 7A. Ensure that staff have the information, training, and tools needed to do their jobs well and to develop their career potential.

	Strategies	03-04	04-05
7A-1	Use Performance Agreements for employee development and to monitor and negotiate individual work assignments and accomplishments.	T	T
7A-2	Identify opportunities to enhance staff professional development.	T	T

Objective 7B. Continue to improve employee satisfaction.

	Strategies	03-04	04-05
7B-1	Identify and act on opportunities to improve employee satisfaction.	T	T
7B-2	Communicate the provisions and impacts of Civil Service Reform.	T	T


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**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

GRANT FROM THE UNITED STATES DEPARTMENT OF LABOR

In February 2004, the Board received a \$30,000 grant award from the U.S. Department of Labor to support increasing WorkSource staff's knowledge about the needs of employers in key sectors of their local economies. In April 2004, the Board granted these funds to four Workforce Development Councils and Shoreline Community College to help employers in allied health, manufacturing, information technology, and construction industries to develop in-depth working relationships with  Center staff in their region.

A variety of events are planned, including employer-sponsored plant tours, employer presentations, and specialized WorkSource open houses that will bring WorkSource staff and industry leaders together. The purpose of the projects is to:

1. Improve WorkSource Center effectiveness in serving employers in key economic sectors.
2. Expand WorkSource staff knowledge of employment opportunities to better serve job seekers.
3. Increase the number of employers who utilize WorkSource business resources.

The following "Skill Panel and WorkSource Connections" projects began in April and will end on June 30, 2004:

The Snohomish Workforce Development Council (WDC) and Snohomish County Health Care Skill Panel members plan to host a half-day event to be held at a health care facility. The event will promote communication among WorkSource staff and health care industry partners. Planned activities: health care facility tours, Everett WorkSource Center tours, small group sessions, panel discussions, a working lunch, debrief, and closing session.

In collaboration with members of the Manufacturing Skill Panel, and in conjunction with "Manufacturing Appreciation Week" activities sponsored by the Kent Chamber of Commerce, Shoreline Community College will convene a half-day seminar. The seminar, entitled *Manufacturing Careers Today and Tomorrow*, will allow WorkSource business outreach staff to interact with manufacturing industry employers in King, Snohomish, and Pierce counties. The event is planned for the first week of June 2004.

In May 2004, the Tacoma-Pierce County WDC and Pierce County Construction Partnership Skill Panel members will bring together 40 WorkSource Center staff and system stakeholders with 15 key construction industry business representatives for a three hour meeting. WorkSource staff will highlight sector-specific efforts and detail how WorkSource can strengthen its relationship with the industry. Industry partners will share information on their industry, challenges, trends, workforce needs, and commitments to workforce development efforts.

The Tacoma-Pierce County WDC will also coordinate a *Health Occupations Workshop* for 40 WorkSource Center staff and system stakeholders. Workshop presenters will include Pierce County Health Care Skill Panel industry partners and WorkSource Career coaches currently co-located at hospitals.

On May 19, 2004, the Pierce County Careers Connection and South Puget Sound Information Technology Skill Panel employers plan to host a seven-hour *High Tech Tour of Pierce County Information Technology* for WorkSource Case Managers and Business Connections staff. Project funds will also make it possible for selected WorkSource staff to attend the Information Technology Association of America National Convocation on May 3, and participate at the South Sound Technology Conference on May 27, 2004.

The Pacific Mountain WDC, in coordination with Pacific Mountain Health Care Skill Panel partners, will use project funds to deliver workshops where staff from five WorkSource Center offices will meet with health care career specialists. Targeted employers include Providence St. Peter Hospital, Capital Medical Center, Providence Centralia Hospital, Morton General Hospital, Mason General Hospital, and Grays Harbor Community Hospital. The goal of the project is to better integrate WorkSource career counseling services with health care industry needs in the region and to acquaint employers with WorkSource business services and regional Business-to-Business job match services.

Two of the strategic initiatives identified by the Northwest Alliance for Health Care Skills are to increase the interest in health and allied careers and to increase the labor pool. The Northwest WDC will use the project funds to produce an information presence in WorkSource Centers by incorporating a web portal for health careers as part of the area's *Menu of Services* (a computer navigational tool) and the *Tour of Services*. The *Tour of Services* is a multimedia presentation viewed by customers on a computer. The tour adds depth to the customers' understanding of WorkSource services, sparks interest in resources, and engages the customer to find out more. The tour incorporates instructional and educational components and introduces both the employer perspective and comprehensive job search strategies.

Board Action Required: None. For informational purposes only.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

DROPOUT PREVENTION AND INTERVENTION INITIATIVE – UPDATE

In November 2003, the Workforce Training and Education Coordinator Board (Workforce Board) approved resolution 03-94-02 describing an action plan to address the issue of graduation rates in Washington State in order to ameliorate the social and economic consequences for young people who do not earn a high school diploma. This resolution included direction to staff to work with partner agencies to utilize Workforce Investment Act (WIA) 10 percent funds to implement a dropout prevention and retrieval initiative.

To implement the resolution, the Workforce Board, Employment Security Department (ESD), and Office of Superintendent of Public Instruction (OSPI) have worked together to craft the attached concept paper for the dropout prevention and intervention initiative.

This initiative would use WIA 10 percent funds for program years 2003 and 2004 to support projects in the 12 workforce development areas. Funds will be allocated using ESD's WIA youth formula for funds distribution on top of a base amount of \$100,000 per area. This formula awards more funds to areas with a larger number of disadvantaged youth and still ensures that each Workforce Development Council (WDC) will receive sufficient funds to attract school district participation. The allocation is described in *Attachment B*. Funds will be released upon approval of an application. ESD has completed the solicitation. It will review and approve applications, and anticipates that funds will be released by July 1, 2004.

A central feature of this initiative will be a partnership between WDCs and targeted school districts to leverage Basic Education Act and WIA funds. Every WDC has school districts not meeting their Adequate Yearly Progress for No Child Left Behind graduation requirements within its boundaries.

OSPI will send a letter from Superintendent Terry Bergeson to all school districts describing the opportunity to partner on this project and encouraging participation.

Also, as part of the action plan approved by the Board, the Workforce Board and its partner agencies are collaborating on a communications strategy to increase public awareness of the dropout issue, its consequences, and successful strategies for its reduction.

Board Action Required: None. For informational purposes only.

DROPOUT PREVENTION AND INTERVENTION: PARTNERING FOR SUCCESS

Section I: Background

Recent statistics from the Office of Superintendent of Public Instruction (OSPI) indicate that 33 percent of high school students in Washington State do not graduate on time with their classmates. According to the Manhattan Institute, Washington State ranks 38th nationally on this graduation statistic. Workforce partners, including the Workforce Training and Education Coordinating Board (Workforce Board), Employment Security Department (ESD), and OSPI are coordinating efforts to address the dropout problem in this state in order to ameliorate the social and economic consequences for young people who do not earn a high school diploma.

These efforts are the direct result of the Workforce Board's adopted resolution in November 2003 that directed staff to "work with partner agencies to utilize Workforce Investment Act (WIA) 10 percent funds to implement a **dropout prevention and retrieval initiative**." (*See Attachment A.*)

This initiative will fund projects in the 12 workforce development areas using \$1.34 million in grant moneys from 10 percent funds for program years 2003 and 2004. Programs will include new or expanded services in all three subcategories of dropout prevention and intervention:

1. **Prevention**—Identification of the at-risk, in-school student and support mechanisms that make it possible for that young person to remain in and be successful in school.
2. **Retrieval**—A rapid response or reentry program that brings a young person back to the first-chance system (ideally before the young person has legal or social problems that would keep him/her from returning to school).
3. **Recovery**—A host of coordinated services that help a young person return to school, recover lost credits through seat time or competency testing, and resolve academic, social, or personal issues that inhibit successful learning.

WIA requires a portion of the 10 percent funds be used to provide assistance to local areas that have high concentrations of eligible youth. For purposes of this initiative, local school districts with a high number of student dropouts shall be considered "local areas of high concentrations of eligible youth."

Leveraged Funding

A central feature of this initiative will be a partnership between Workforce Development Councils (WDCs) and targeted school districts to leverage Basic Education Act (BEA) and WIA funds. BEA funds support educationally related services to all youth, and WIA funds support social services to WIA eligible youth. Leveraging BEA and WIA funds will make it possible to create programs that coordinate a range of direct services to keep, retrieve, and retain youth in school.

Some WDCs will be ready to take advantage of this initiative to deliver services soon after receiving funding. Many already provide services in at least one subcategory of dropout prevention and intervention. For example, North Central and Spokane Area WDCs have contracts with school districts to leverage funds for prevention and recovery programs. Others may be starting to develop relationships with targeted schools and school districts and need more time to create programs.

Due to this, WDCs may also negotiate a small percentage of their funds to develop these relationships, *if necessary*. The majority of funds are to be spent on provision of service.

Section II: Phases

This initiative will ask WDCs and their Youth Councils to plan and conduct project activities in the following phases:

Phase One Activities

Partner Teams

The WDC will identify a school district(s) and community partners in their area that will help implement this project. These partners will form or use existing teams of school and community leaders to identify existing services and gaps in service in local dropout prevention and intervention programs.¹

New and existing teams will include:

- WDC/Youth Council members and staff.
- Targeted school and school district(s) leaders (high school principals, superintendents, and school district communication specialists).
- Career-technical education directors or skill center directors.
- Community organization leaders (alternative school programs, social services, community-based organizations, juvenile justice, mentoring, labor and/or apprenticeship, community and technical colleges, and business representatives).

Action Plan

All WDCs will submit an action plan that includes:

- The partner team members.
- The school(s) and community partners who will provide services in this project.
- The identified gaps in the three subcategories of dropout prevention and intervention (listed on page 1).
- How service gaps will be addressed.
- The expected number of students that will be served.
- A budget showing how resources will connect to provision of service.
- A copy of a school board resolution, contract, or letter of intent indicating willingness to leverage BEA dollars with WIA funds.

¹ Partner teams (existing or newly formed groups) are a Sar Levitan best practice strategy to foster long-term collaboration between first- and second-chance systems.

Phase Two Activities

Provision of Dropout Prevention and Intervention Services

Provision of service can begin once the action plan is accepted. The majority of time and funds are to be used for services. This may improve existing services, but must also provide new or extended services. The project may provide services in all three subcategories of dropout prevention and intervention (described on page 1) with the goal of youth obtaining a high school diploma. A technical assistance brief (included with the ESD solicitation) is a compilation of best practices researched by OSPI and the Workforce Board, and includes OSPI guidelines for BEA funding. OSPI will provide technical assistance on apportionment questions.

Data Collection

WDCs will be expected to collect and record the following data elements for each student served under the action plan:

- Services received.
- Start and exit date.
- School enrollment status (pre, during, and post).
- Credits received.
- Credential attainment (by type of credential).

Phase Three Activity

Final Report

Each area will submit a final report outlining the project's history and lessons learned so other areas can learn how to replicate their successes. These reports will include:

- How partners were identified, established, and their roles.
- A copy of the initial action plan and any modifications to the plan.
- The student data collected.
- How and what resources and funds were leveraged to serve students.
- Recommendations for policy and project expansion.

Evaluation

The state will measure project performance by the following measures:

- Number of students served.
- Number of students who return to school (broken down by comprehensive high school, alternative school, CC high school diploma completion program).
- Number of credits earned.
- Number of students who obtain a high school diploma.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
NOVEMBER 19, 2003**

ADOPTED RESOLUTION 03-94-02

WHEREAS, Objective 3.1 in *High Skills, High Wages: Washington's Strategic Plan for Workforce Development 2002*, is to "Increase High School Graduation Rates;" and

WHEREAS, The Office of Superintendent of Public Instruction estimates a statewide "on-time" graduation rate for the Class of 2002 of 65.7 percent; and

WHEREAS, The Manhattan Institute estimates that Washington's graduation rate ranks 39th out of the 50 states; and

WHEREAS, The fastest growing portions of our K-12 population are mostly students from ethnic groups that have the lowest graduation rates; and

WHEREAS, Students who exit schooling prematurely will face an uphill battle throughout their lifetimes in securing a livable wage in the knowledge-based economy; and

WHEREAS, There are high social costs associated with school dropouts; and

WHEREAS, Community-wide dropout prevention and retrieval systems can provide options and resources to ensure that children struggling at school are not "lost" in the system and do successfully complete schooling; and

WHEREAS, Workforce Development Councils and other local organizations can work in partnership with local school districts to access Basic Education dollars to address the dropout problem; and

WHEREAS, the Governor and the Office of Superintendent of Public Instruction will prepare legislation for the 2004 legislative session to require the development of high school completion plans for students at risk of not meeting Washington Assessment of Student Learning standards and to provide for retakes for students who do not meet the standards; and

WHEREAS, Current dropout reporting requirements may need updating to conform with the No Child Left Behind Act and do not include reporting of dropouts in the 7th and 8th grade; and

WHEREAS, The Academic Achievement and Accountability Commission will be revisiting the statewide targets for the high school completion rate in 2004.

NOW, THEREFORE, BE IT RESOLVED THAT the Workforce Training and Education Coordinating Board approve the proposed action plan for addressing the issue of high school graduation.

TARGETED SCHOOL DISTRICTS*
BY WORKFORCE DEVELOPMENT COUNCIL

Benton-Franklin

Finley	68.5
Pasco	55.3

Eastern Washington Partnership

Cusick	6.6
Clarkston	45.5
Inchelium	72.7
Mary Walker	69.2
Walla Walla	60.5
Wellpinit	53.8

North Central

Brewster	56.5
Bridgeport	41.3
Lake Chelan	56.0
Moses Lake	63.3
Omak	53.7
Othello	70.1
Tonasket	50.1
Wahluke	69.8
Wenatchee	48.7

Northwest

Anacortes	59.2
Blaine	69.7
Concrete	50.0?
Ferndale	67.5
LaConner	58.5
Lopez Island	70.7
Mt. Vernon	60.5
Meridian	58.1
Oak Harbor	62.0
Sedro Wooley	40.6
South Whidbey	68.7

Olympic Consortium

Bremerton	40.0
Chimacum	66.4
Port Angeles	49.4
Quillayute Valley	57.5
Quinalt Lake	56.0
South Kitsap	58.5

Pacific Mountain

Aberdeen	49.7
Centralia	69.7
Elma	59.9
Hoquiam	62.9
Mary M. Knight	64.0
Naselle-Grays River	65.8
North Beach	54.2
Oakville	0?
Ocean Beach	70.1
Ocasta	67.6
Onalaska	44.8
Rainier	64.5
Shelton	63.5
Taholah	50.0
Toledo	72.4
Tumwater	66.0
Yelm	60.1

Seattle-King

Federal Way	65.4
Highline	57.0
Renton	51.4
Seattle	53.2
Skykomish	57.1
Snoqualmie Valley	61.5
Tahoma	65.5
Tukwila	61.5

Snohomish

Arlington	59.2
Edmonds	62.6
Everett	54.9
Granite Falls	67.0
Lakewood	70.7
Marysville	62.2
Stanwood	60.5
Sultan	62.6

SW Washington

Battle Ground	61.0
Evergreen-Clark	65.3
Longview	54.0
Toutle Lake	71.3
Vancouver	54.0

Spokane

Cheney	58.4
East Valley/Spokane	69.7
Riverside	44.4?
West Valley/Spokane	34.3

Tacoma-Pierce

Bethel	68.0
Clover Park	42.5
Franklin Pierce	47.2
Puyallup	67.2
White River	46.3

Tri-County

East-Valley-Yak.ima	67.3
Easton	54.1
Goldendale	69.9
Granger	66.9
Highland	71.2
Kittitas	60.5
Lyle	58.1
Mt. Adams	65.4
Selah	50.3
Sunnyside	43.4
Toppenish	56.3
Yakima	44.3
White Salmon	62

For purposes of this initiative, “targeted school districts” are those districts not meeting the 73 percent high school graduation rate which the A+ Commission identified as the percentage needed for high schools and school districts to be making “adequate yearly progress” under the provisions of No Child Left Behind.

The high school graduation rate is the percentage of students that graduate with their cohorts from high school with a regular diploma in four years. It is calculated by dividing the number of graduates with a regular diploma in four years by the number of graduates with a regular diploma in four years, plus the number of students who are considered high school dropouts in that cohort, plus students who are still enrolled but have not graduated.

The graduation rates for each school district listed above are the most recent and accurate numbers for the Class of 2002 released by OSPI. For more information on this graduation rate calculation, see OSPI Bulletin No. 099-03 on their website (www.k12.wa.us)

Dropout Prevention and Intervention Initiative WIA Youth WDA Allocation				
Column A		Column B*	Column C**	Column D***
Workforce Development Area		WIA Youth Allocation Formula	Percent of \$140,000	Total
1	Olympic	3.815867%	\$5,342	\$105,342
2	Pacific Mountain	6.172592%	\$8,642	\$108,642
3	Northwest	5.808010%	\$8,131	\$108,131
4	Snohomish	9.847986%	\$13,787	\$113,787
5	Seattle-King	25.568867%	\$35,796	\$135,796
6	Tacoma-Pierce	11.831657%	\$16,564	\$116,564
7	Southwest	9.616261%	\$13,463	\$113,463
8	North Central	5.300102%	\$7,420	\$107,420
9	Tri-County	7.495806%	\$10,494	\$110,494
10	Eastern Partnerships	3.964016%	\$5,550	\$105,550
11	Benton-Franklin	3.380935%	\$4,733	\$104,733
12	Spokane Area	7.197899%	\$10,077	\$110,077

***Column B:** ESD calculates WIA Youth Allocations by averaging three factors from each area:

- ASU=Area of Strategic Unemployment (6.5 percent or higher unemployment rate in a local area)
- EU=Excess Unemployment (the number of unemployed individuals in an area of substantial unemployment [6.5 percent] in excess of 4.5 percent of the civilian labor force)
- ED=Economically Disadvantaged (the number of individuals with an income below the poverty rate for 1999 or below 70 percent of the Lower Living Standard Income Level for 1999 – *Source: 2000 U.S. Census*)

$ASU+EU+ED/3$ =percentage of disadvantaged youth in local area (Column B)

****Column C:** The dollar amount per area using ESD WIA Youth Allocation formula. After a base amount per area, \$140,000 is the remaining amount of 10 percent funds for Program Years 2003 and 2004.

*****Column D:** The total amount per area: \$100,000 base amount + formula calculation.



20th Anniversary Celebration Update

Events scheduled for Moses Lake (May 17) and Tacoma (May 18)

Guest speakers include:

- Lieutenant Governor Brad Owen,
- William Mohler, former Executive Director, Commission for Vocational Education, and
- Four previous winners:
 - Tim Coley, a 1996 winner who works for the WA State Patrol
 - Tami Absalonson, a 1988 winner who now teaches at the Spokane Skills Center
 - Chris Inverso, a 1997 winner who works in information technology
 - Nicole Tomlin, a 1999 winner who plans to start her MA later this year

Attendees: Winners and their guests, sponsors of enabling legislation, current legislators and those associated with the enabling legislation, and career and technical educators

Publicity:

- Localized press releases (i.e., area specific) sent to all media (radio, TV, ethnic publications, and newspapers) around the state
- Follow-up telephone calls to targeted media
- Entire one hour program on Moses Lake' KSBN radio at 9 a.m. on May 13

Washington Award for Vocational Excellence 2004

APPLICANTS

ETHNICITY

Asian	27	7%
Black/African American	10	2.5%
Mexican/Hispanic	18	4%
Mixed	4	1%
Native American	6	1%
Other	5	1%
White/Caucasian	331	81%
Not Reported	10	2.5%
<i>Ethnicity Total</i>	411	100%

GENDER

Female	260	63%
Male	151	37%
<i>Gender Total</i>	411	100%

SCHOOL TYPE

High School	230	56%
Skills Center	25	6%
Community College	109	27%
Technical College	47	11%
<i>School Applicant Total</i>	411	100%

WINNERS

ETHNICITY

Asian	12	8%
Black/African American	3	2%
Mexican/Hispanic	7	5%
Other	3	2%
White/Caucasian	115	80%
Not Reported	5	3%
<i>Ethnicity Total</i>	145	100%

GENDER

Female	94	65%
Male	51	35%
<i>Gender Total</i>	145	100%

SCHOOL TYPE

High School	88	61%
Skills Center	9	6%
Community College	35	24%
Technical College	13	9%
<i>School Winner Total</i>	147	100%

Workforce Training and Education Coordinating Board
June 30, 2004
Spokane Community College
Spokane, Washington

DRAFT AGENDA

High Skills, High Wages 2004 – Final Action

“Helmets to Hardhats” Presentation

Workforce Board’s Operating Budget for 2005-07 – Preliminary Discussion

Workforce Board Retreat Planning

Workforce Training Results 2004 – Follow up on Issues

Workforce Strategies Conference 2004

Integrated Performance Information Project – Report

Interagency Committee
Meeting Notes for April 8, 2004

Attending: Patti Stoneman-Lowe (DVR); Gary Kamimura (ESD); Debbie Cook (DSB); Jim Crabbe (SBCTC); Steve Frazier (WWA), Evelyn Hawkins (HECB); Walt Wong, Bryan Wilson, and Ellen O'Brien Saunders (Workforce Board).

Patti noted the high quality of work from Workforce Board staff and reported that she uses the information and reports from the Board a lot and appreciates the work.

Draft May 13, 2004, Workforce Board Meeting Agenda

Ellen discussed the draft agenda for the May 13, 2004, Workforce Board meeting and the group discussed selected items:

- **Update on Board Advocacy Work**

David Harrison will update on advocacy work, particularly in the area of high school dropout prevention.

- **Workforce Strategies Conference 2004**

A steering committee will be convened again, and representatives from partner agencies and organizations will be asked to participate. The tentative theme is global – doing business around the world, what skills are needed, etc. Ellen invited the IC to share suggestions on speakers. She also noted there may be an opportunity for preconference sessions.

- **Higher Education Coordinating Board (HECB) Master Plan**

The new HECB Director, Jim Sulton, will be asked to come to the Board meeting and discuss the HECB Master Plan.

- ***Workforce Training Results 2004***

Findings for Department of Services for the Blind, Division of Vocational Rehabilitation, Adult Basic Education, and possibly sScondary Career and Technical Education will be presented to the Board. Also, staff will have follow up on the seven issues raised at the March 25, 2004, meeting.

- **National Institute for Literacy Work Readiness Credential – Update**

Jim asked to learn more about the relationship to Work Keys. Gary asked whether the Workforce Board has policy regarding local choice for assessment tools. Ellen responded that she did not think we would mandate the use of the tools. Steve indicated the importance of having a credential recognized by employers.

- **Workforce Investment Act 10 Percent Funds – Options for Use**

The Board will discuss options for the budget priorities and will take action on recommendations to the Governor.

- ***High Skills, High Wages 2004 - Chapter 5***

Madeleine Thompson noted that the *High Skills, High Wages 2004* public forums are planned for April 27 in Seattle and April 29 in Spokane. At the May meeting, the Board will discuss comments on the priorities received through this process and from the Interagency Committee and will give guidance for the final publication.

- **Industry Skill Panels**

This is a placeholder for an update on Skill Panel activities.

- **Perkins Funds**

The Board will discuss the Carl D. Perkins Vocational and Technical Education Act funding for PY 2004 and will act on the advance planning schedule.

Economic Vitality

Bryan discussed the report from CTED's Economic Development Commission plan that will include progress on strategies that correspond with progress on strategies in *High Skills, High Wages*.

Integrated Performance Information (IPI) Project

The IPI multistate group met in Miami and created performance measures that could be used across programs. The next meeting will be in Seattle in June. At that meeting, the group will work on consensus on the best performance measures. Following the June meeting, a "blue print" will be drafted to guide other states and beta testing and technical assistance will follow in two locations. Broader dissemination and promotion will follow.

CAEL Lifelong Learning Accounts

A conference call will be held with interested IC members to discuss if Washington would like to be part of a CAEL Lifelong Learning Accounts demonstration project.

Joint Legislative Accountability Review Committee (JLARC) and Priorities of Government (POG)

JLARC is looking at the POG process, in particular at performance measures. There is a hearing scheduled for April 21, 2004. The Workforce Board is providing information on what we have done to coordinate around economic clusters.

Interagency Committee
Meeting Notes for April 30, 2004

Attending: Terry Redmon, Patti Stoneman-Lowe (DVR); Gary Kamimura (ESD); Debbie Cook (DSB); Jennifer Thornton (SBCTC); Evelyn Hawkins (HECB); Karen Carter (L&I/ Apprenticeship); Bryan Wilson, Pam Lund, and Madeleine Thompson (Workforce Board).

Draft May 13, 2004, Workforce Board Meeting Agenda

Bryan discussed the draft agenda for the May 13, 2004, Workforce Board meeting and the group discussed selected items:

- **Workforce Investment Act 10 Percent Funds – Options for Use**

The Board will discuss options for the budget priorities and will take action on recommendations to the Governor. ESD has looked at the budget and came up with adjustments to use more carry-forward funds, so will not need to reduce the total amount for use in FY 2004. The total resource recommendations will be the same as what was presented in the March 25, 2004, Board packet.

- ***Workforce Training Results 2004***

Findings for Department of Services for the Blind, Division of Vocational Rehabilitation, and Adult Basic Education will be presented to the Board. Secondary Career and Technical Education information will be limited to survey results at this time.

- **Industry Skill Panels**

The Board will discuss future investments and activities for skill panels.

- **Work Readiness Credential – Update**

There will be an update on this initiative.

- **Workforce Development Council (WDC) Certification**

The Board will learn of the recent WDC certification process and will act on a recommendation to the Governor regarding council certification. Data on race and ethnicity of the WDC members will be available at the Board meeting.

- **Higher Education Coordinating Board (HECB) Master Plan**

The new HECB Director, Jim Sulton, will be asked to come to the Board meeting and discuss the HECB Master Plan. The draft plan may not be available at the meeting as it still is in the process of public review and revision. Evelyn said that a series of short discussion papers on individual goals have been prepared and these may be available prior to the May 13, 2004, Workforce Board meeting. The date for the final plan has changed from July – it will be

later in the summer. The draft plan should be available for the June Workforce Board meeting.

- **Perkins Funds**

The Board will discuss the Carl D. Perkins Vocational and Technical Education Act funding for PY 2004 and will act on the advance planning schedule.

High Skills, High Wages 2004 - Goals, Objectives, and Strategies

Madeleine Thompson shared feedback, including comments from the public forums held on April 27 and 29, on the draft of Chapter 5 for *High Skills, High Wages 2004*. Staff will be making some modifications to the draft based on feedback for the final submission at the June Workforce Board meeting.

The IC discussed agency assignments. Evelyn asked about the expectations for the co-leads on the strategies. Bryan indicated the expectation is that they will get the work started and will see that the work continues.

The IC members expressed concern with prioritization. The general view was that stakeholders want to see their own strategies among the priorities and that it is difficult or impossible to do that with a short list, so the list either becomes very long or the list contains omissions that make stakeholders uncomfortable.

TAB 2

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

**WORKFORCE INVESTMENT ACT 10 PERCENT FUNDS
BUDGET PRIORITIES FOR PROGRAM YEAR 2004**

Ten percent of Workforce Investment Act (WIA) Title I funds are set-a-side for statewide activities to be determined by the Governor. WIA requires that certain activities must be performed while other activities are permissive. The amount invested per activity, and whether or not investments are made in the permissive activities, is at the discretion of the Governor. The Workforce Training and Education Coordinating Board makes recommendations to the Governor.

The paper in this tab reviews 10 percent funding for the program year that begins on July 1, 2004 (PY04), and offers recommendations developed by Board and Employment Security staff. Also included in this tab, for purposes of comparison, are the 2003 recommendations made to the Governor.

The recommendations for PY04 are reduced from the draft recommendations presented to the Board at the March meeting. At that meeting, Commissioner Mundy indicated that Washington's WIA allocation for next year is 6.6 percent less than expected. The Employment Security Department has made adjustments in their use of carry-forward funds in order to accommodate the reduced allocation. As a result, the total resources (PY04 and other funds) recommended in this tab are the same as in the March draft. Carry-forward funds are allocated to make up for the reduced PY04 allocations for incentive grants, fiscal and management information systems, and technical assistance.

The Governor has already committed a substantial amount of WIA 10 percent funds to the *7E7 Dreamliner* project. The Governor has also committed \$1.0 million for apprenticeship. Much of the remaining amount is needed to cover the costs of operating information systems and carrying out federally required evaluations. The recommendations for the rest of the funds emphasize the Board's initiative to leverage WIA and Basic Education Act funds to address the dropout issue, continue to build and sustain skill panels, address the shortage of health care workers, and provide customized training for incumbent workers.

Board Action Requested: Adoption of the Recommended Motion.

RECOMMENDED MOTION

WHEREAS, Ten percent of funding under the Workforce Investment Act Title I-B is set aside to be allocated at the Governor's discretion, subject to certain limitations in the Act;

WHEREAS, The Governor has requested the advice of the Workforce Training and Education Coordinating Board on how the ten percent funds should be allocated; and

WHEREAS, Employment Security Department and Workforce Board staff, with input from the Workforce Development Council directors, have prepared recommended allocations for the Board's consideration;

NOW, THEREFORE BE IT RESOLVED, that the Workforce Training and Education Coordinating Board recommend to the Governor the attached allocations of the Governor's Discretionary Funds for July 1, 2004, to June 30, 2005.

Workforce Investment Act 10 Percent Funds Budget Priorities for Program Year 2004

This paper analyzes the budget priorities for Workforce Investment Act (WIA) 10 percent funds for the program year beginning July 1, 2004. The Governor has substantial discretion in spending 10 percent of the WIA funds, in contrast to the WIA funds allocated by formula for certain purposes. While WIA specifies some activities that the Governor must support with 10 percent funds, the amount of support is discretionary. Beyond the mandatory categories, there are other permissible categories identified by the Act.

The analysis is guided by the general principles of the Priorities of Government (POG) approach to budgeting. The purpose of POG is to establish a clear set of results which citizens expect of state government, and to prioritize spending on the activities that matter most in achieving these results.

The POG established 10 expected results that help shape the Governor's budget. Two of these results relate to the contribution of the workforce development system:

1. Improve the quality and productivity of our workforce.
2. Improve the economic vitality of businesses and individuals.

Tied to these general results are three specific results for the 10 percent funds originally expressed by the Governor in a March 2003 transmittal:

1. Addressing the healthcare personnel shortage.
2. Providing incumbent worker training.
3. Improving workforce development system efficiencies.

Listed below are the activities recommended for 10 percent funding for Program Year (PY) 2004. There are two tables that accompany a short narrative for each activity. The first table indicates the recommended WIA allocation for PY04. The table also shows other fund sources that will support the activity, and comments pertinent to the recommendation. These other sources include carry-forward WIA funds from prior years. The state has three years to expend funds allotted under WIA.

The second table lists the relative ranking of the activity when compared to the three results. The chart shows the primary result of the activity by marking that result as "high." When the effect of the activity is only indirect, the result is marked "low." The recommendations in this paper are divided into required and optional activities.

Activities Required by WIA

Eligible Training Provider List and Evaluations. WIA requires the state to establish performance criteria and maintain a list of training programs that meet the criteria and are eligible to receive Individual Training Account vouchers for training funded through WIA Title I-B. The state is also required to evaluate the effectiveness of the workforce investment system, including the 17 core indicators for WIA Title I-B, and report the results for the state as a whole and for each of the 12 workforce development areas in the state.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$400,000	-0-	\$400,000	Evaluations identify areas of strong and weak performance informing efforts to improve efficiency. The Eligible Training Provider List promotes efficiency by preventing the expenditure of funds on programs with weak performance.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Incentive grants for exemplary performance. This money is directed to Workforce Development Councils (WDCs) that meet or exceed performance targets. WDCs may use the funds for any purpose authorized by WIA.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
- 0 -	\$300,000 (PY03 Carry-forward)	\$300,000	The incentive awards are intended to promote positive (including efficient) results from program services.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies		x	

Development and expansion of One-Stop system. WIA requires the state to operate a One-Stop system with access to 15 workforce development programs. WIA 10 percent money has been used to implement innovations that broaden partner participation and customer access. Sample services have included: new partner access to electronic backbone; partner staff training in American Sign to meet the Americans with Disabilities Act standards; expanding resource rooms and self-service capacity; and adding personal computers to the network for customer self-service. Due to commitments already made, no PY04 funds are recommended to be dedicated to this purpose. Local areas could choose to use their incentive grants for their One-Stop systems.

Recommended WIA 03 Resources	Other Fund Sources	Total Resources	Comments
-0-	-0-	-0-	The intent behind One-Stop service delivery is increased efficiency by having multiple program services available to the customers at "One-Stop," both in-person and through the Internet.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies		x	

Assist areas with high concentrations of eligible youth. High concentrations of eligible youth are defined as geographical areas with above average concentrations of low-income youth. Beginning with PY03, funds are being used to leverage Basic Education Act dollars in community partnerships with school districts and WDCs. The funds are used to address dropout prevention and retrieval. The impact on efficiency is high because of the leverage of other resources.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$670,000	\$670,000 (PY03 Carry-forward)	\$1,340,000	Funds are used to improve efficiencies in the coordination of services to at risk youth from multiple programs, agencies, and organizations, including schools and community-based organizations. The funding continues at current level the PY03 innovation of using WIA funds to leverage Basic Education Act dollars.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x	x	

Operate a fiscal and management information system. Congress reduced allowable administrative limits when it passed WIA. In return, it informed states that the 10 percent funds were an appropriate source to cover the costs of information technology systems. In order to support One-Stop, the state has directed funds to consolidating and coordinating multiple fiscal and participant (customer) tracking systems and self-service access. These include: WorkSource presence on the Internet (Go2Worksource), Dataflex, Datamart, Services Knowledge and Information Exchange System (SKIES), UI benefit payment interface, and JAS (WorkFirst). SKIES is the major recipient of these 10 percent funds. Information systems include making information about job openings available in-person or via the Internet. The expenses for SKIES cover: system administration and operation; software development, maintenance, and upgrades; and hardware maintenance.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$2,689,20000	\$310,800 (PY03 Carry-forward) \$1,150,000 (Wagner Peyser and Claimant Placement)	\$4,150,000	Management and fiscal information technology systems are integral to providing efficient services.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Technical Assistance. WIA requires states to provide technical assistance to workforce development areas that fail to meet performance targets. This item also includes other technical assistance to local areas such as staff training. Employment Security and Workforce Training and Education Coordinating Board (Workforce Board) staff will continue to provide technical assistance as needed.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
- 0 -	\$25,000 (PY03 Carry-forward)	\$25,000	Technical assistance improves the efficiency of local areas in meeting performance targets.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies		x	

Optional Activities

Industry Skill Panels (other than health care). Industry skill panels are partnerships of employers, labor, and training providers. The panels assess skill gaps in their industry and design actions to close the gaps. Such actions can include the development of new courses, customized training, recruitment efforts, internships, loaned faculty, shared facilities, and others. Skill panels improve efficiency by targeting workforce development activities (including incumbent worker training) to areas identified by industry representatives as necessary to close skill gaps in their industry.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$340,000	-0-	\$340,000	Skill panels improve the efficiency of workforce investments by directing those investments, including incumbent worker training, to where they are most needed by industry.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker		x	
Workforce System Efficiencies	x		

Health Care. There is \$340,000 provided to continue the work of the health care skills panels. Among other achievements, the skill panels have brought in over \$3 million in additional federal resources, established apprenticeship programs, coordinated clinical opportunities, and created partnerships to expand program capacity. There is \$70,000 of carry-forward funds from PY03 is reserved for labor market demand and supply data collection and analysis. Currently, the Workforce Board, in partnership with the Department of Health, is contracting with Washington State University (WSU) to analyze current data availability and develop recommendations for future data efforts including consolidating data collection and analysis across programs and agencies where feasible. WSU will present their recommendations to the Health Care Personnel Shortage Task Force in April. The carry-forward funds will be available to help with the costs of implementing the preferred recommendations. Improved data along with direction provided by industry skill panels will improve efficiency by better targeting resources.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$340,000	\$70,000 (PY03 Carry-forward)	\$410,000	\$340,000 is for skill panels. \$70,000 is for data collection and maintenance.

Health Care (continued)

Result/Impact	High	Medium	Low
Health Care Personnel	x		
Incumbent Worker			x
Workforce System Efficiencies		x	

Incumbent worker training. The Governor has committed \$1.0 million of PY03 carry-forward funds for apprenticeship programs. Out of PY04 funds, \$700,000 is recommended for incumbent worker training in health care and other industries. As part of WIA reauthorization, Congress is expected to increase the flexibility of local areas to use their formula funds for incumbent worker training. In both the House and Senate-passed bills local areas may use up to 10 percent of their adult monies for incumbent worker training and the employer match requirements are made less stringent.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$700,000	\$1,000,000 (PY03 Carry-forward)	\$1,700,000	\$1.0 million of PY03 Carry Forward is for apprenticeships.

Result/Impact	High	Medium	Low
Health Care Personnel		x	
Incumbent Worker	x		
Workforce System Efficiencies			x

Governor's Special Initiative. The Governor has committed \$5 million of WIA 10 percent funds for the *7E7 Dreamliner* project.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
\$3,500,000	\$1,500,000 (PY03 10% Carry-forward) (\$1,000,000 Wagner Peyser PY03 Carry-forward) (\$1,000,000 Wagner Peyser PY04)	\$7,000,000	The funds are for the <i>7E7 Dreamliner</i> project.

Reserve Fund. This money is held in reserve to enable the Governor to fund activities not originally planned for. Because of the commitments already made for the PY04 funds, there will be no additional reserve for 2004.

Recommended PY04 WIA Resources	Other Fund Sources	Total Resources	Comments
-0-	-0-	-0-	

Total Recommended Allocations by Result

Result	PY04 10 Percent Funds	Other Resources	Total Funding
Addressing the Health Care Labor Shortage	\$340,000	\$70,000	\$410,000
Providing Incumbent Worker Training	\$700,000	\$1,000,000	\$1,700,000
Improving Workforce Development System Efficiencies	\$4,099,200	\$2,420,800	\$6,520,000
Governor's Special Initiative	\$3,500,000	\$3,500,000	\$7,000,000
Reserve	-0-	-0-	-0-
Total	\$8,639,200	\$6,990,800	\$15,630,000

Workforce Investment Act 10 Percent Funds Budget Priorities for Program Year 2003

Washington State will experience an overall 26.3 percent reduction in the state's Workforce Investment Act (WIA) Title I-B allocation for the year beginning July 1, 2003. Funding for adult, youth, and dislocated worker services will drop from almost \$126 million this current year to \$92.3 million. The state's 10 percent allocation will fall from \$12.6 to \$9.3 million.

The Workforce Training and Education Coordinating Board (Workforce Board) adopted recommended allocations for 10 percent funds at its March 2003 meeting. This occurred before Washington State received word from the U.S. Department of Labor of the reduction.

This decrease happens at a time when the state faces an overall budget shortfall that led the Governor to challenge state agencies to examine spending priorities through a process called Priorities of Government (POG).

The purpose of the POG process is to establish a clear set of results which citizens expect of state government, and to prioritize spending on the activities that matter most in achieving these results.

Briefly, the POG established 10 expected results that helped shape the Governor's budget. Two of those results relate to the contribution of the workforce development system:

1. Improve the quality and productivity of our workforce.
2. Improve the economic vitality of businesses and individuals.

Tied to these general results are three specific results for the 10 percent funds expressed by the Governor in a March transmittal:

1. Addressing the healthcare personnel shortage.
2. Providing incumbent worker training.
3. Improving workforce development system efficiencies.

The following budget review is guided by the general principles applied under POG and the Governor's expected results for 10 percent funds. In addition to Program Year (PY) 2003 funds, the review includes additional funding sources that can be applied to achieve these results.

Listed below are the activities recommended for 10 percent funding for PY03 for both required and optional activities. There are two tables which accompany a short narrative for each activity. The first table indicates the recommended WIA allocation for PY03 and the allocation recommended by the Workforce Board before the 03 reduction was known. The table also shows other fund sources that will support the activity, and comments pertinent to the recommendation. The second table lists the relative ranking of the activity when compared to the three results. The chart shows the primary result of the activity by marking that result as "high." When the effect of the activity is only indirect, the result is marked "low."

WIA requires states to use 10 percent funds for certain activities. States have discretion as to how much money is spent on each of the required activities, but some 10 percent funds must be used for each. WIA also specifies other activities for which 10 percent funds may be used for, but the activities are not required. The recommendations in this paper are divided into required and optional activities.

Activities Required by WIA

Eligible Training Provider List and Evaluations. WIA requires the state to establish performance criteria and maintain a list of training programs that meet the criteria and are eligible to receive Individual Training Account vouchers for training funded through WIA Title I-B. The state is also required to evaluate the effectiveness of the workforce investment system, including the 17 core indicators for WIA Title I-B, and report the results for the state as a whole and for each of the 12 workforce development areas in the state.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$700,000 (\$775,000 recommended by Workforce Board prior to reduction)	\$75,000 (Carry-Forward from previous year's allocation)	\$775,000	Evaluations identify areas of strong and weak performance informing efforts to improve efficiency. The Eligible Training Provider List promotes efficiency by preventing the expenditure of funds on programs with weak performance. Carry-over funds will be used to cover costs for next year.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Incentive grants for exemplary performance. This money is directed to Workforce Development Councils (WDCs) that meet or exceed performance targets. WDCs may use the funds for any purpose authorized by WIA.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$400,000 (\$575,000 recommended by Workforce Board before reduction.)	-0-	\$400,000	The incentive awards are intended to promote positive (including efficient) results from program services. The Departments of Labor and Education have just announced that WA is eligible to receive an additional \$3 million incentive award.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Development and expansion of One-Stop system. WIA requires the state to operate a One-Stop system with access to 15 workforce development programs. Programs contribute to the ongoing operation of this system according to federal accounting practices and procedures. Federal Wagner-Peyser funds will set aside \$600,000 of its discretionary funds to support the extra cost of exemplary models for delivering labor exchange services. WIA 10 percent money is used to implement innovations which broaden partner participation and customer access. Sample services include: new partner access to electronic backbone; partner staff training in American Sign to meet American with Disabilities Act standards; expanding resource rooms and self-service capacity; and adding personal computers to the network for customer self-service.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$850,000 (\$1,080,000 recommended by Workforce Board prior to reduction)	\$600,000 Wagner-Peyser (\$725,000 Carry-forward from previous year's allocation)	\$2,175,000	The intent behind One-Stop service delivery is increased efficiency by having multiple program services available to the customers at "One-Stop," both in-person and through the Internet. The \$725,000 carry forward is already under contract.

One-Stop (continued)

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Assist areas with high concentrations of eligible youth. High concentrations of eligible youth are defined as geographical areas with above average concentrations of low-income youth. Current 10 percent funds support the development of WDC-youth provider partnership building, as well as three pilot projects. Activities include dropout prevention, business engagement, staff cross-training, and inter-program service integration.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$670,000 (\$721,323 recommended by Workforce Board prior to reduction)		\$670,000	Funds are used to improve efficiencies in the coordination of services to at risk youth from multiple programs, agencies, and organizations, including schools and community-based organizations.

Result/Impact	High	Medium	Low
Healthcare Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Operate a fiscal and management information system. Congress reduced allowable administrative limits when it passed WIA. In return, it informed states that the 10 percent funds were an appropriate source to cover the costs of information technology systems. In order to support One-Stop, the state has directed funds to consolidating and coordinating multiple fiscal and participant (customer) tracking systems and self-service access. These include: WorkSource presence on the Internet (Go2Worksource), Dataflex, Datamart, Services Knowledge and Information Exchange System (SKIES), UI benefit payment interface, and JAS (WorkFirst). SKIES is the major recipient of these 10 percent funds. Information systems include making information about job openings available in-person or via the Internet. The expenses for SKIES cover server acquisition and maintenance, software development, maintenance, and upgrades. The Department of Information Services oversees the project.

Information System (continued)

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$2,700,000 (\$3,375,000 recommended by Workforce Board prior to reduction)	Est. \$950,000 Wagner-Peyser and Claimant Placement Program.	Est. \$3,650,000	Management and fiscal information technology systems are integral to providing efficient services. Other programs (e.g. Wagner-Peyser and Claimant Placement Program) are asked to support the costs according to generally accepted accounting principles.

Result/Impact	High	Medium	Low
Healthcare Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Technical Assistance. WIA requires states to provide technical assistance to workforce development areas that fail to meet performance targets. This item also includes other technical assistance to local areas such as staff training.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$125,000 (This item was included but no dollar amount was separately identified in the Workforce Board recommendation)		Est. \$125,000	Technical assistance improves the efficiency of local areas in meeting performance targets.

Result/Impact	High	Medium	Low
Health Care Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Optional Activities

Industry Skill Panels (other than health care). Industry skill panels are partnerships of employers, labor, and training providers. The panels assess skill gaps in their industry and design actions to close the gaps. Such actions can include the development of new courses, customized training, recruitment efforts, internships, loaned faculty, shared facilities, and others. Skill panels improve efficiency by targeting workforce development activities (including incumbent worker training) to areas identified by industry representatives as necessary to close skill gaps in their industry. The state provides WIA funding to each panel for no more than three years, with each of the years funded at a lower level in order to make a transition to self-support. PY03 funds for new panels will target the three clusters identified by the Joint Economic Vitality Cabinet.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$270,000 (\$290,000 recommended by the Workforce Board prior to reduction.)	Est. \$120,000 (Carry-forward)	Est. \$390,000	

Result/Impact	High	Medium	Low
Healthcare Personnel			x
Incumbent Worker			x
Workforce System Efficiencies	x		

Health Care personnel shortages initiatives. Proposals are in alignment with the recommendations of the Health Care Personnel Shortage Task Force. The money will be used for health care skill panels, programs in K-12 schools, and healthcare labor supply and demand data collection and analysis. There is \$280,000 to start-up four skill panels in the four areas of the state currently without funding for health care skills panels. There is \$240,000 to help sustain the existing panels in the other eight areas of the state. There is \$300,000 to develop health care programs in K-12 schools to prepare students for entry level positions. There is \$100,000 reserved for labor market demand and supply data collection and analysis. Currently, the Workforce Board, in partnership with the Department of Health, is contracting with Washington State University to analyze current data availability and develop recommendations for future data efforts including consolidating data collection and analysis across programs and agencies where feasible. Improved data along with direction provided by industry skill panels will improve efficiency by better targeting resources.

Health Care (continued)

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$1,020,000 (\$840,000 recommended by Workforce Board for skills panels and labor market data. Board did not separately identify funds for youth)		\$1,020,000	All funds targeted to address the shortage of health care personnel. Some strategies targeted to upgrading incumbent workers.

Result/Impact	High	Medium	Low
Health Care Personnel	x		
Incumbent Worker		x	
Workforce System Efficiencies		x	

Incumbent worker training. There is currently at least one incumbent worker training project in each Workforce Development Area funded through these dollars. Of this year's funds for the Targeted Industries Programs, \$1.5 million is being finalized by the Employment Security Department this month with expenditures expected early next fiscal year. Approximately \$2.2 million is available to WDCs for incumbent worker training through 2003. As part of WIA reauthorization, Congress is expected to increase the flexibility of local areas to use their formula funds for incumbent worker training. In the H.R. 1261 local areas may use up to 10 percent of their adult monies for incumbent worker training and the employer match requirements are made less stringent.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$1,000,000 (\$2,000,000 recommended by Workforce Board prior to reduction)	\$2.2 million (Carry-forward)	\$3.2 million	All funds are allocated for incumbent worker training. Even without dedicating funds for health care workers, it can be expected that approximately one-third of the funds will be expended in health care because of the employer demand in that industry.

Result/Impact	High	Medium	Low
Health Care Personnel	x		
Incumbent Worker	x		
Workforce System Efficiencies	x		

Reserve Fund. This money is held in reserve to enable the Governor to fund activities addressing the three results or other areas not planned for under the above activities.

Recommended PY03 WIA Resources	Other Fund Sources	Total Resources	Comments
\$1,503,190		\$1,503,190	Funds held in reserve to meet emergent needs. ¹

¹ This past year, the Governor's reserve was used to fund health care programs in secondary skills centers. Funding for activity is now included in the health care category.

Total Recommended Allocations by Result

Result	PY03 10 Percent Funds	Other Resources	Total Funding
Addressing the Health Care Labor Shortage	\$1,020,000		\$1,020,000
Providing Incumbent Worker Training (including health care)	\$1,000,000	\$2,200,000	\$3,200,000 ²
Improving Workforce Development System Efficiencies	\$5,715,000	\$2,470,000	\$8,185,000
Reserve	\$1,503,190		\$1,503,190
Total	\$9,238,190	\$4,670,000	\$13,908,190

² Additional funds are available through the Job Skills Program.

TAB 3

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
May 13, 2004**

WORKFORCE TRAINING RESULTS 2004

The following materials summarize findings from our fifth biennial outcome evaluation of Washington State's workforce development system. Washington State RCW 28C.18.060(10) requires the Workforce Training and Education Coordination Board (Workforce Board) to report the employment, earnings, wages, and satisfaction of participants leaving the major workforce development programs in the state.

The Workforce Board carries out this responsibility by preparing the report, *Workforce Training Results*. The forthcoming report presents outcomes for eleven of the state's workforce development programs. These include:

- Community and Technical College Job Preparatory Training
- Private Career Schools
- Apprenticeship
- Worker Retraining at Community and Technical Colleges
- Workforce Investment Act Title I-B Dislocated Worker Program
- Workforce Investment Act Title I-B Adult Program
- Workforce Investment Act Title I-B Youth Program
- Adult Basic Skills Education
- Division of Vocational Rehabilitation
- Department of Services for the Blind
- Secondary Career and Technical Education

Summaries for the first seven of these programs were presented at the March Board meeting. Results for the remaining four programs appear here.

The report focuses on outcomes for participants who left programs from July of 2001 through June of 2002. This is the most recent cohort for whom we can provide reliable results, since we measure labor market outcomes during the third quarter after exit and because the employment records are not available until about six months after that.

The program summaries also provide outcomes for prior program years. When comparing outcomes over time, it is important to consider that economic conditions and participant characteristics can change, sometimes dramatically. The participants leaving programs during 2001-2002, for example, faced a much weaker labor market than those leaving two years earlier.

We caution against making improper comparisons among these programs—the populations served, the types of services provided, and lengths of training vary substantially from program to program.

Board members suggested additional research items and raised policy issues during the discussion of *Workforce Training Results* at the March meeting. These items and issues are also listed in this tab along with proposed responses to address them.

Board Action Requested: None. For discussion purposes only.

Adult Basic Skills Education

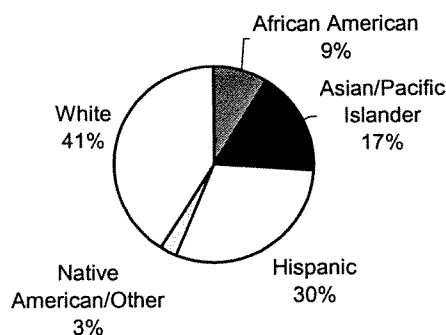
(1) Data

Findings are based on the following sources of data:

- Program records on 15,686 Adult Basic Skills students who left programs during the 2001-02 school year. This report covers only adults who identified employment-related reasons for enrolling in basic skills courses and proceeded to take only basic skills courses. Most of these adults received their adult basic skills training in community and technical colleges.¹
- Computer matches with the Unemployment Insurance records from five states (Washington, Idaho, Montana, Alaska, and Oregon), federal and postal service personnel records.
- Telephone survey responses from 213 former students, providing additional information on employment and satisfaction with the program.
- Survey responses from 276 firms that hired new employees who recently completed an Adult Basic Skills program.
- Computer matches with enrollment data from community and technical colleges, public four-year institutions, and private career schools in Washington.

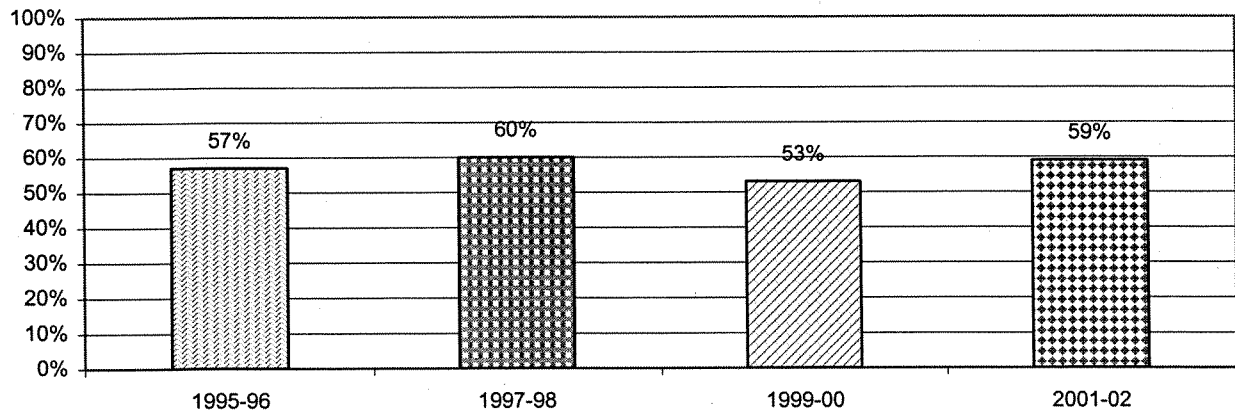
(2) Participant Characteristics

Figure 1
Characteristics of Adult Basic Skills Students: Race and Ethnicity



¹ Six percent of the adults in this study received their training at community-based organizations.

Figure 2
Proportion of Adult Basic Skills Students Who Are People of Color



Percent Female	57
Median Age	30 years
Public Assistance Receipt	25 percent
Single Parent	13 percent
Disabled	5 percent

(3) Competency Gains

Figure 3
Adult Basic Skills Students Receiving Specific Skills Training

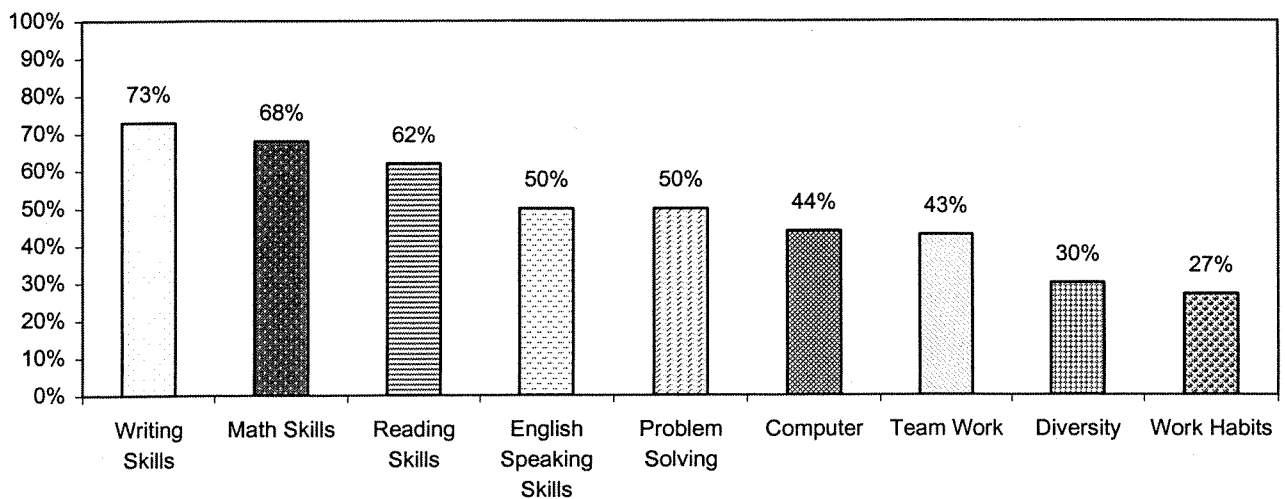
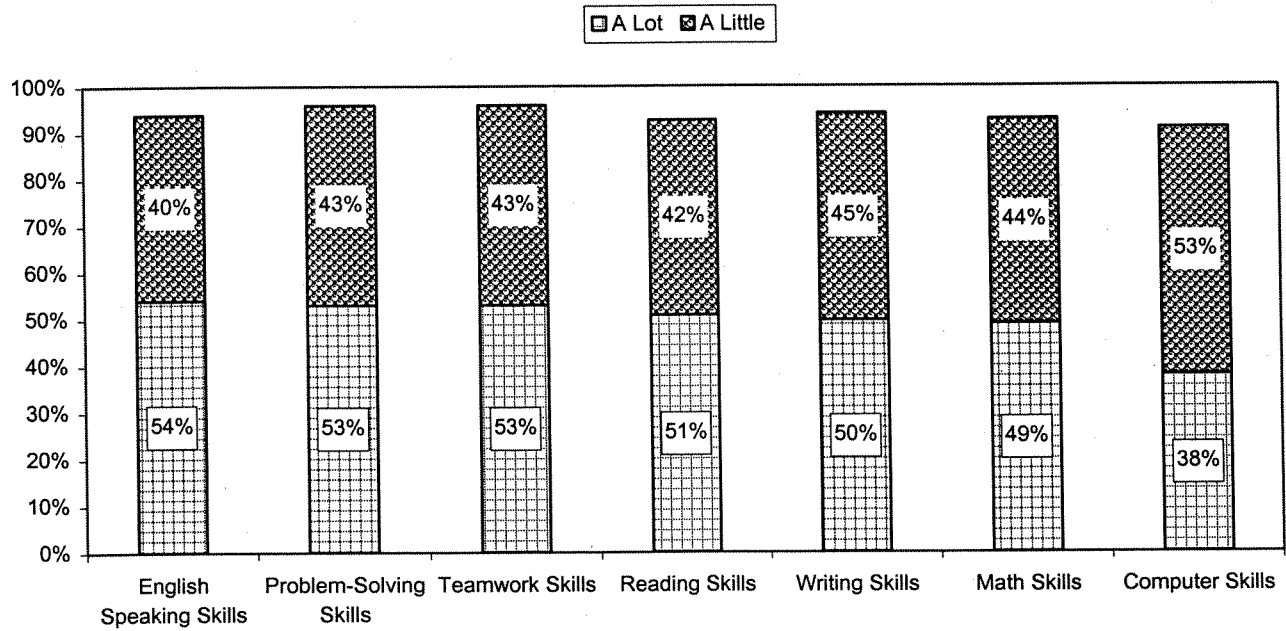


Figure 4
Adult Basic Skills Students Receiving Specific Skills Training Who Reported
Their Skills Improved a Little or a Lot



(4) Participant Satisfaction

Percent Reporting Overall
Satisfaction With Program

91 (versus 95 percent two years ago)

Percent Reporting Educational
Objectives Met

80 (versus 87 percent two years ago)

Figure 5
Support Service Needs of Adult Basic Skills Students
Among all Students the Percentages Needing a Service
and Percentages Leaving With Needs Unmet

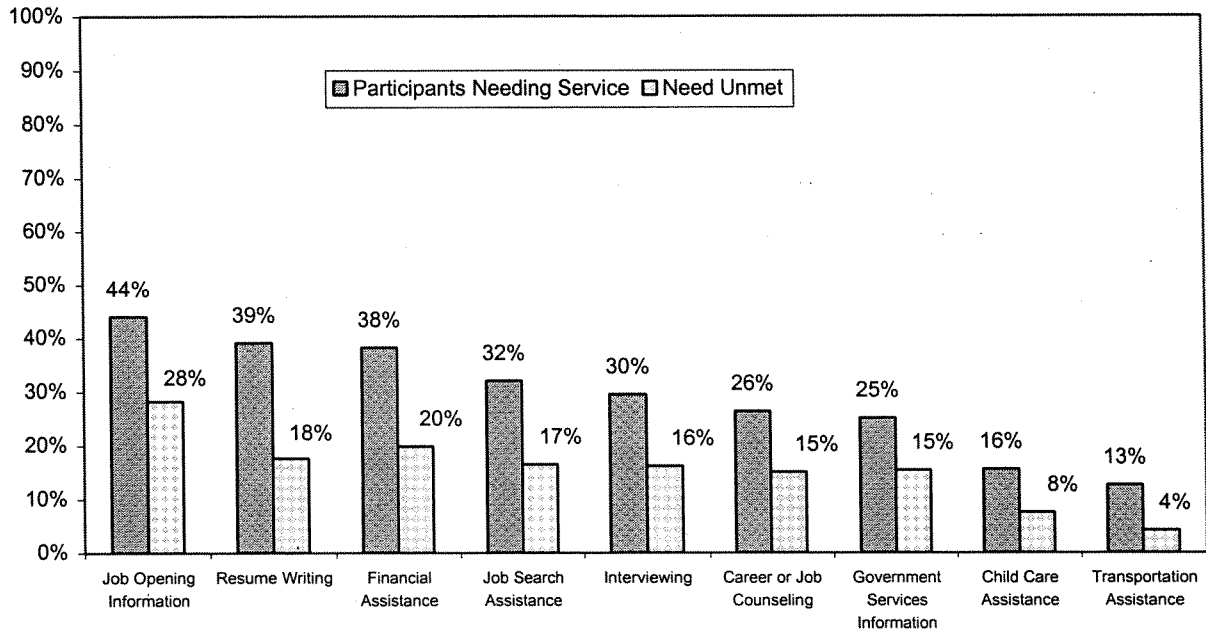
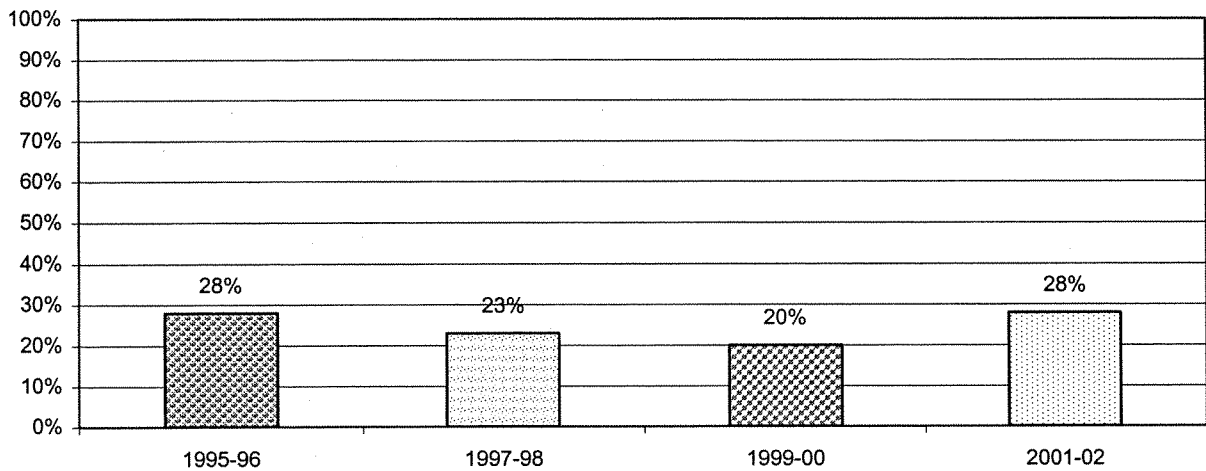
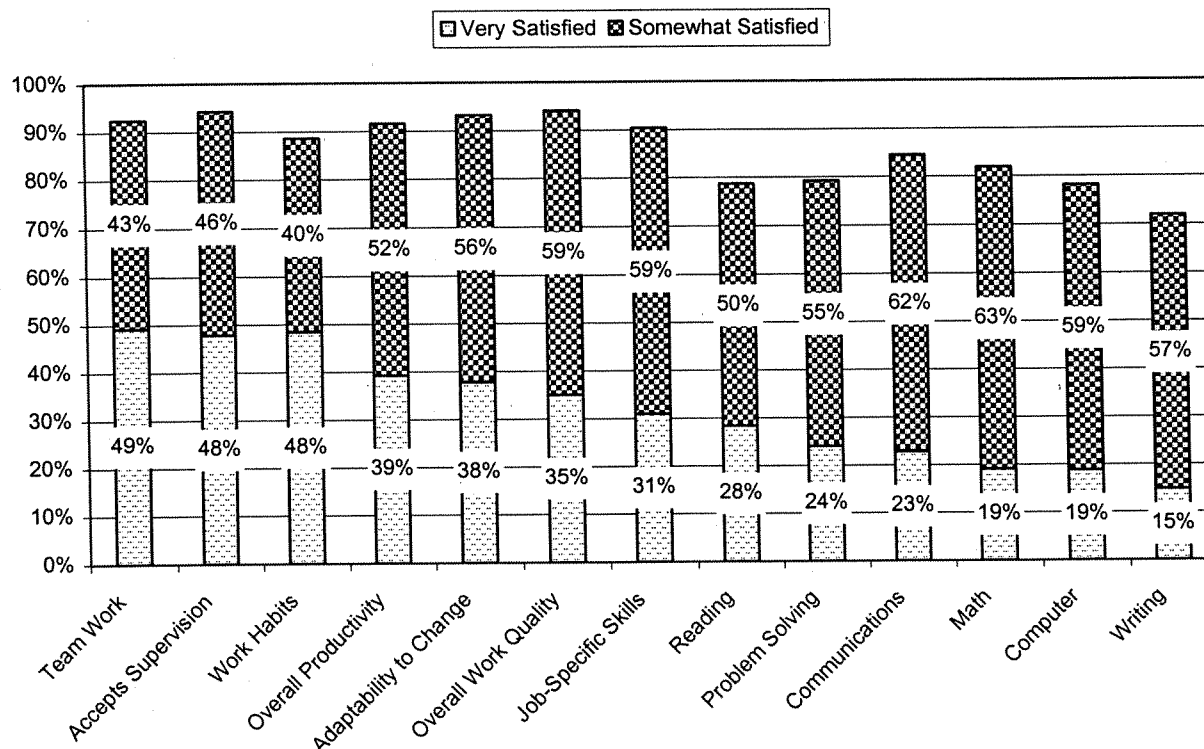


Figure 6
Percentage of all Former Adult Basic Skills Students Leaving Program
With Unmet Need for Job Opening Information



(5) Employer Satisfaction

Figure 7
Employer Satisfaction With New Employees who had Recently Participated
in an Adult Basic Skills Program



(6) Employment and Earnings

Figure 8
Employment and Earnings of Adult Basic Skills Students
in the Third Quarter After Leaving Program

	1995-96	1997-98	1999-00	2001-02
Percentage self-reporting employment during third quarter after leaving program	59%	82%	62%	64%
Percentage with employment reported by employers to ESD the third quarter after leaving program	49%	62%	60%	55%
Median quarterly hours worked, of those working	419	452	433	419
Percentage employed full-time of those working (averaging 30 or more hours/week)	54%	57%	57%	54%
Median annualized earnings of those working	\$13,425	\$16,358	\$15,804	\$15,104
Size of household in which median earnings would support at poverty level	2.4	3.3	3.2	3.0
Size of household in which median earnings would support at twice poverty level	0.7	0.9	0.9	0.8
Median hourly wage of those working	\$8.35	\$9.20	\$9.54	\$9.20

Figure 8 (continued)
Employment and Earnings of Adult Basic Skills Students
in the Third Quarter After Leaving Program

	1995-96	1997-98	1999-00	2001-02
Percentage self-reporting receipt of medical benefits from employer	52%	63%	45%	53%
Percentage self-reporting receipt of pension benefits from employer	37%	35%	29%	32%

Notes: Earnings and wages are expressed in first quarter 2003 dollars. Poverty levels based on federal poverty guidelines identified by the Department of Health and Human Services for 2003.

Figure 9
Percentage of Adult Basic Skills Students With Employment Reported to
Employment Security Department 6-9 Months After Leaving Program

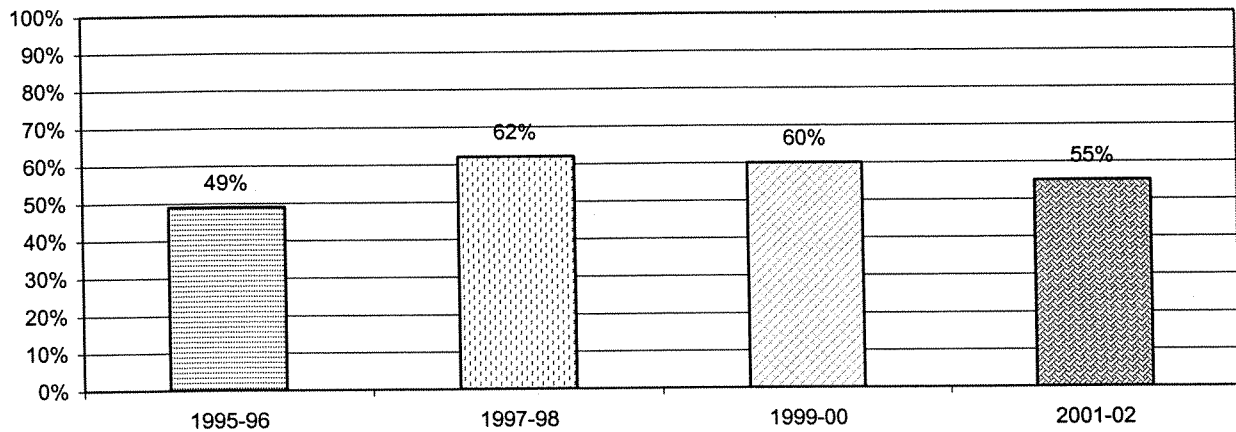
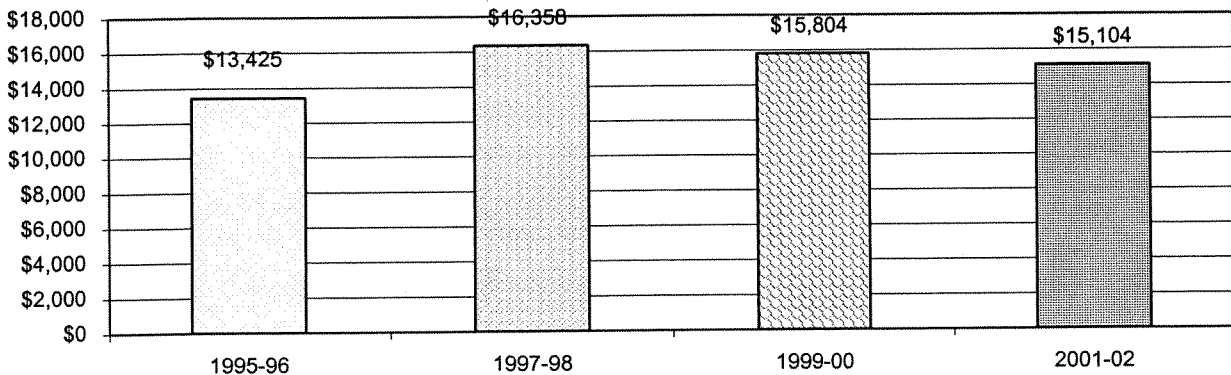


Figure 10
Median Annualized Earnings of Adult Basic Skills Students
6-9 Months After Leaving Program



Please note that the employment rates based on matches with Employment Security Unemployment Insurance data are lower than those based on survey results. Employment Security records do not contain information on self-employment. The estimates also exclude employment in states that are not included in our matching process. Post-program school enrollments are also underestimated; private four-year colleges and out-of-state schools are not included in our record matches.

(7) Other Findings

- Cyclical Factors Affecting Earnings and Employment

The business cycle contributed to the decline in post-program employment and earnings among Adult Basic Skills students leaving programs during the 1999-2000 and 2001-02 school years. The more recent cohort faced a much weaker labor market.

- Industry of Employment

During the third quarter after leaving their programs, the majority of former Adult Basic Skills students were employed in retail trade and services. Among those employed in services, many were employed in hotels, cleaning services, temporary help positions, nursing care facilities and household services.

Industry	Employment
Agriculture	4 percent
Construction	5 percent
Manufacturing	15 percent
Wholesale Trade	4 percent
Retail Trade	25 percent
Services	41 percent
Other	6 percent

- Gender Differences in Outcomes

Gender differences in post-program employment, hours worked, earnings and wages are significant.

	Women	Men	Ratio
Employment Reported to ESD	52 percent	60 percent	87 percent
Median Quarterly Hours Worked	391	450	87 percent
Median Annual Earnings	\$13,220	\$17,739	75 percent
Median Hourly Wage	\$8.72	\$10.00	87 percent

- Differences in Outcomes by Disability Status

Post-program employment, hours worked, earnings and wages are significantly lower for those with disabilities.

	Disabled	No Disability	Ratio
Employment Reported to ESD	41 percent	56 percent	73 percent
Median Quarterly Hours Worked	297	423	70 percent
Median Annual Earnings	\$9,457	\$15,345	62 percent
Median Hourly Wage	\$8.30	\$9.25	90 percent

- Differences in Outcomes by Race and Ethnicity

Among Adult Basic Skills students, people of color tend to have higher post-program employment and earnings than whites.

Race/Ethnicity	Employment Reported to ESD	Median Annual Earnings	Hourly Wage
African American	59 percent	\$15,561	\$9.22
Asian/Pacific Islander	58 percent	\$16,871	\$9.58
Native American	42 percent	\$10,592	\$9.04
Hispanic	57 percent	\$17,741	\$9.70
White	53 percent	\$12,591	\$8.73

Division of Vocational Rehabilitation

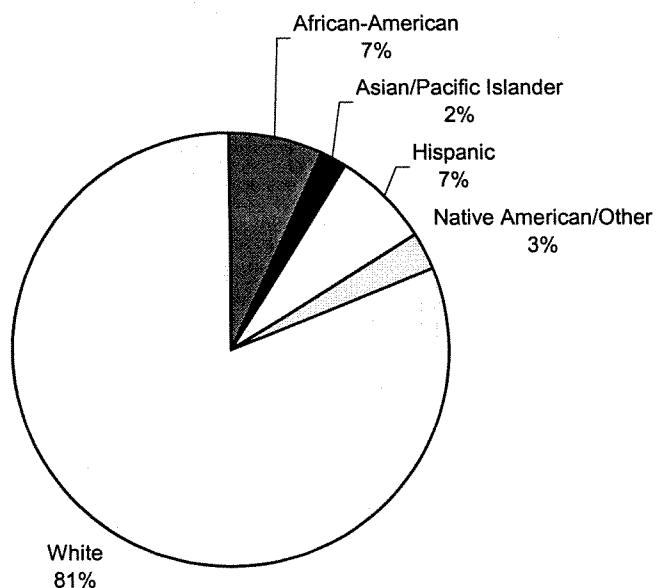
(1) Data

Findings are based on the following sources of data:

- Program records on 2,530 participants who left Division of Vocational Rehabilitation programs during the 2001-02 program year.
- Computer matches with the Unemployment Insurance records from five states (Washington, Idaho, Montana, Alaska, and Oregon), federal and postal service personnel records.
- Telephone survey responses from 422 former students, providing additional information on employment and satisfaction with the program.
- Computer matches with enrollment data from community and technical colleges, public four-year institutions, and private career schools in Washington.

(2) Participant Characteristics

Figure 1
Characteristics of Division of Vocational Rehabilitation Participants: Race and Ethnicity



Percent Female	47
Median Age at Registration	37 years

(3) Competency Gains

Percent Rehabilitated 49 (versus 69 percent in 1999-2000 and 64 percent in 1997-98)¹
 Median Program Length 21 months

Figure 2
DVR Program Participants Receiving Certain Skills Training

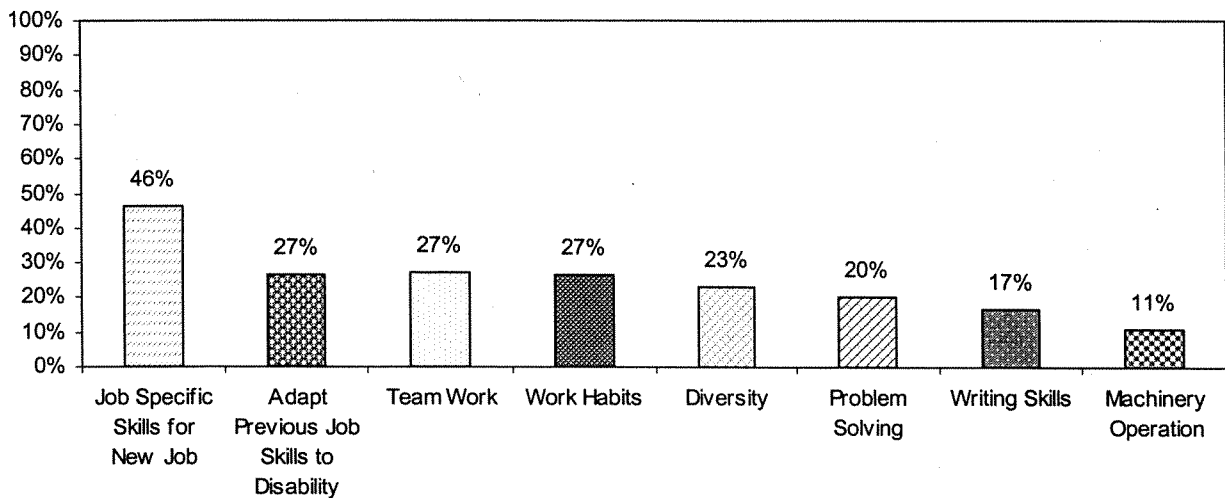
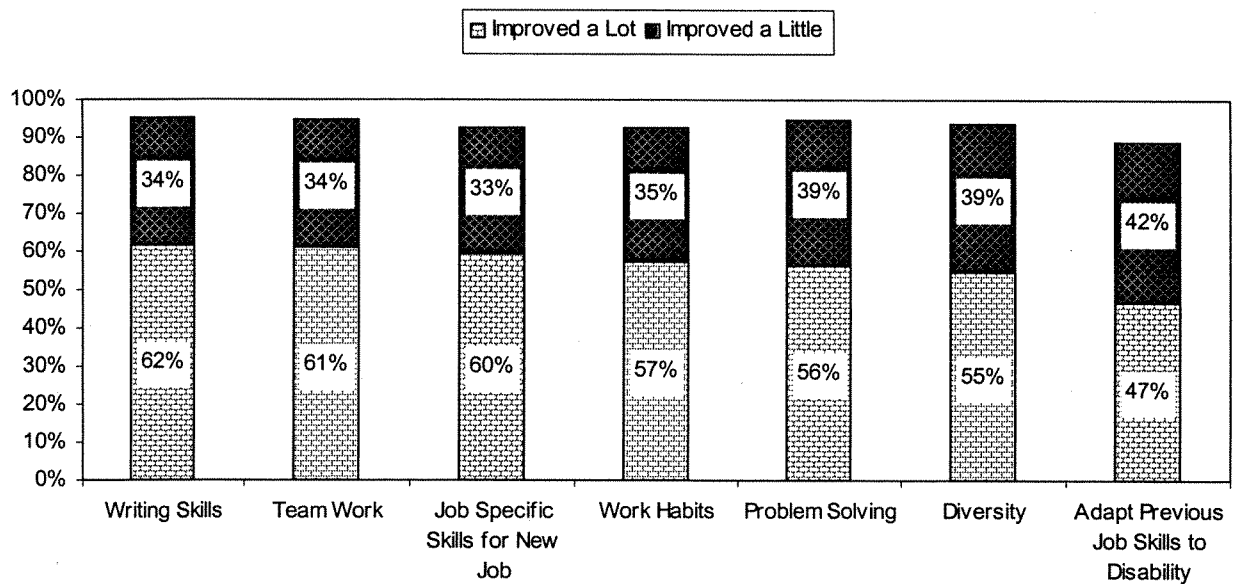


Figure 3
DVR Participants Receiving Specific Skills Training Who Reported Their Skills Improved a Little or a Lot



¹ A client receives a closure status of rehabilitated if they were working for at least 90 days prior to leaving the program. Please refer to Section 6 for reasons that the rehabilitation rate has declined.

(4) Participant Satisfaction

Percent Reporting Overall
Satisfaction With Program

69 (the same as in 1999-2000)

Figure 4
Support Service Needs of DVR Program Participants
Among all Participants the Percentages Needing a Service
and Percentages Leaving With Needs Unmet

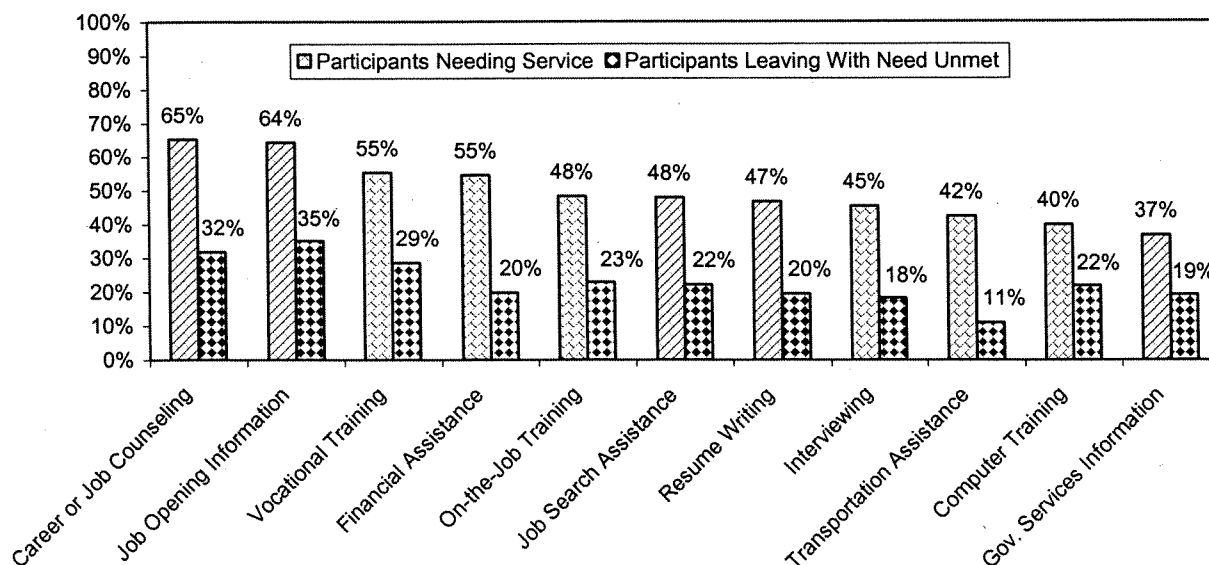
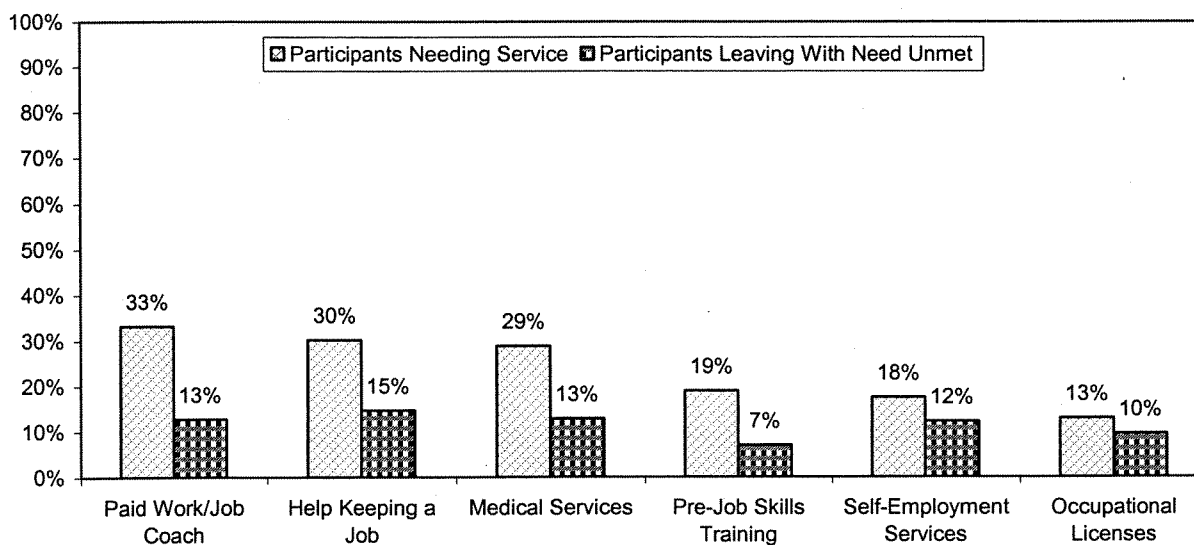


Figure 5
Additional Support Service Needs of DVR Program Participants
Among all Participants the Percentages Needing a Service
and Percentages Leaving With Needs Unmet



(5) Employment and Earnings

Figure 6
Employment and Earnings of DVR Participants in the Third Quarter After Leaving Program

	1997-98		1999-00		2001-02	
	All	Rehabilitated	All	Rehabilitated	All	Rehabilitated
Percentage self-reporting employment during third quarter after leaving program			60%		52%	
Percentage with employment reported by employers to ESD the third quarter after leaving program	56%	72%	57%	71%	46%	72%
Median quarterly hours worked, of those working	381	400	377	397	310	346
Percentage employed full-time of those working (averaging 30 or more hours/week)	49%	51%	48%	51%	43%	46%
Median annualized earnings of those working	\$12,841	\$13,754	\$13,543	\$14,169	\$12,446	\$13,882
Size of household in which median earnings would support at poverty level	2.2	2.5	2.5	2.7	2.1	2.6
Size of household in which median earnings would support at twice poverty level	0.7	0.8	0.8	0.8	0.7	0.8
Median hourly wage of those working	\$8.89	\$9.03	\$9.46	\$9.54	\$9.91	\$10.12
Percentage self-reporting receipt of medical benefits from employer			40%		44%	
Percentage self-reporting receipt of pension benefits from employer			22%		25%	

Notes: Earnings and wages are expressed in first quarter 2003 dollars. Poverty levels are based on federal poverty guidelines identified by the Department of Health and Human Services for 2003.

Figure 7
Percentage of DVR Clients With Employment Reported to Employment Security Department 6 to 9 Months After Leaving Program

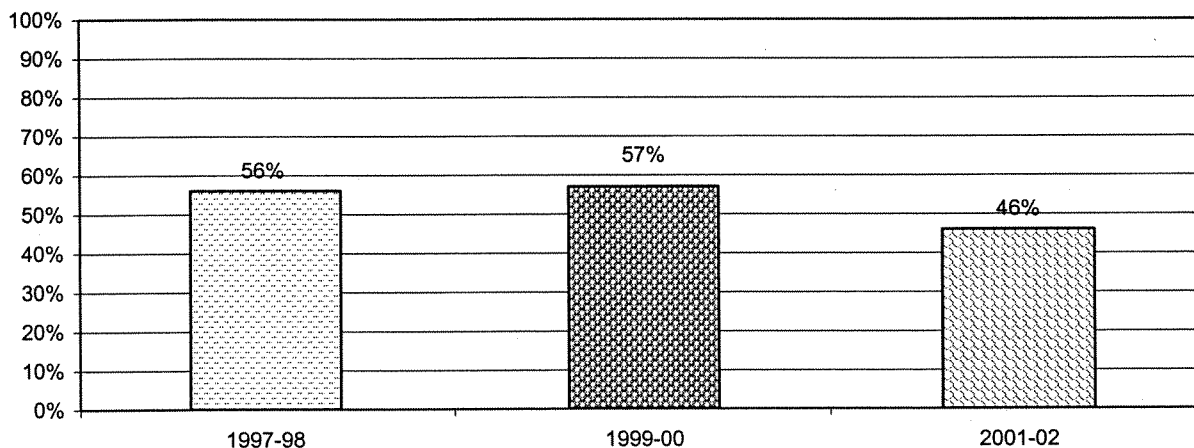


Figure 8
Median Annualized Earnings of DVR Clients 6 to 9 Months After Leaving Program

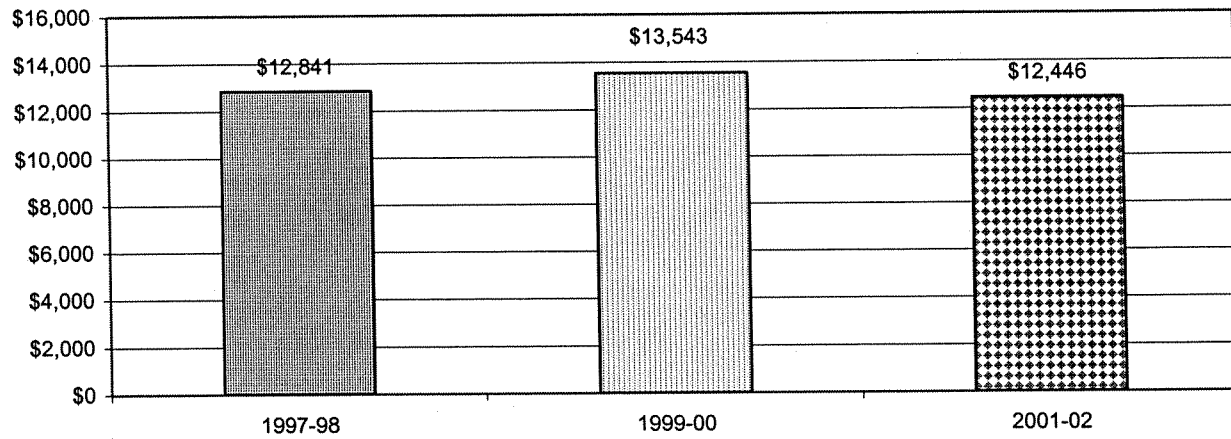
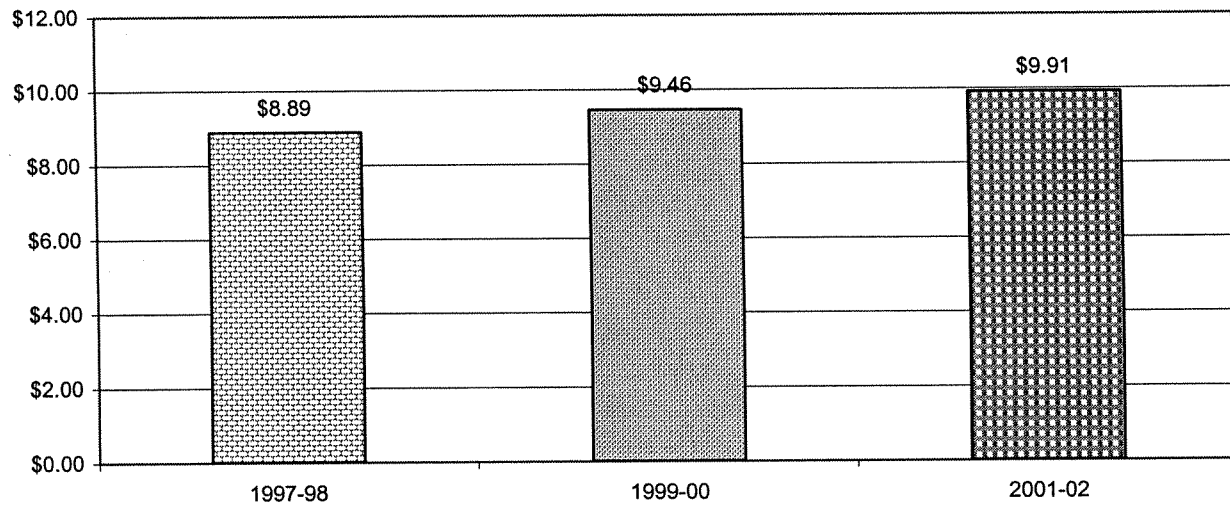


Figure 9
Median Hourly Wage of DVR Clients 6 to 9 Months After Leaving Program



Please note that the employment rates based on matches with Employment Security Unemployment Insurance data are lower than those based on survey results. Employment Security records do not contain information on self-employment. The estimates also exclude employment in states that are not included in our matching process.

(6) Other Findings

- Programmatic and Economic Changes

Significant programmatic changes need to be considered when comparing outcomes for DVR clients over time. The most important of these is the adoption of order of selection. Since the end of 2000, when program funds and staff resources are insufficient to serve all eligible applicants, priority has been given to participants with the most significant disabilities. DVR clients leaving the program during 2001-02, as a result of funding constraints and order of selection, tend to have more significant disabilities than do those in earlier cohorts.

The business cycle also contributed to the decline in post-program employment and earnings among DVR clients leaving programs during the 1999-2000 and 2001-02 school years. The more recent cohort faced a much weaker labor market.

- Industry of Employment

Employment among former DVR clients is heavily concentrated in retail trade (stores and eating establishments) and services (temporary help services, health, education and social services)

Industry Sector	Percent of Employment
Agriculture, Forestry, Fishing	2
Construction	3
Manufacturing	5
Transportation, Utilities	3
Wholesale Trade	3
Retail Trade	25
Finance, Insurance, Real Estate	4
Services	49
Public Administration	6

- Gender Differences in Outcomes

Gender differences in post-program employment, earnings and wages are not significant.

	Women	Men	Ratio
Employment reported to ESD	44 percent	47 percent	94 percent
Median Annual Earnings	\$12,305	\$12,653	97 percent
Median Hourly Wage	\$9.78	\$9.96	98 percent

- Differences in Outcomes by Race and Ethnicity

The variation in labor market outcomes by race and ethnicity was less substantial among DVR clients than participants in many other programs. There were, however, some significant differences. Employment rates were significantly lower for African American clients. Median annual earnings were also lower for African Americans and Asian/Pacific Islanders.

Race/Ethnicity	Employment Reported to ESD	Median Annual Earnings	Hourly Wage
African American	36 percent	\$7,811	\$9.75
Asian/Pacific Islander	59 percent	\$10,082	\$8.60
Native American	43 percent	\$16,800	\$11.38
Hispanic	50 percent	\$16,427	\$10.47
White	45 percent	\$12,389	\$9.92

Department of Services for the Blind

This is the first evaluation of Department of Services for the Blind (DSB) programs included in *Workforce Training Results*. When reviewing these results, note that program eligibility is based on statutory criteria for legal or functional blindness and the need for vocational rehabilitation services. In order to receive services, an individual must be legally blind or have a visual disability that causes an impediment to employment, and vocational rehabilitation services are required for the individual to prepare for, enter, engage in, or retain employment.

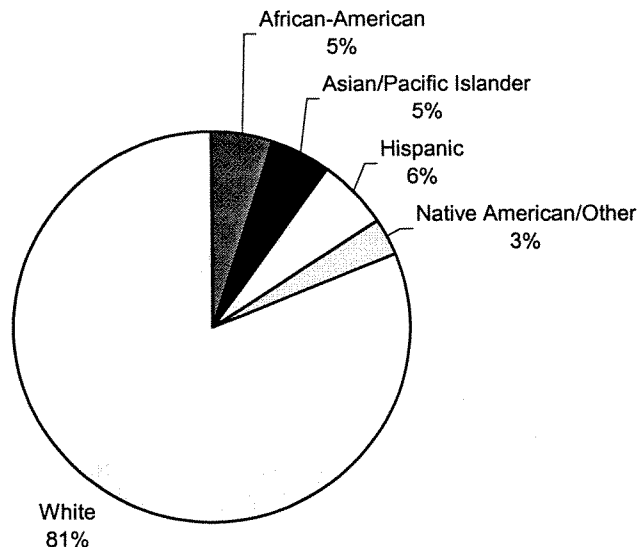
(1) Data

Findings are based on the following sources of data:

- Program records on 191 clients who left DSB programs during the 2001-02 program year.
- Computer matches with the Unemployment Insurance records from five states (Washington, Idaho, Montana, Alaska, and Oregon), federal and postal service personnel records.
- Telephone survey responses from 133 former students, providing additional information on employment and satisfaction with the program.
- Computer matches with enrollment data from community and technical colleges, public four-year institutions, and private career schools in Washington.

(2) Participant Characteristics

Figure 1
Characteristics of Department of Services for the Blind Participants:
Race and Ethnicity



Percent Female 45
 Median Age at Registration 40 years

(3) Competency Gains

Percent Rehabilitated¹ 63
 Median Program Length 18 months

Figure 2
DSB Program Participants Receiving Certain Skills Training

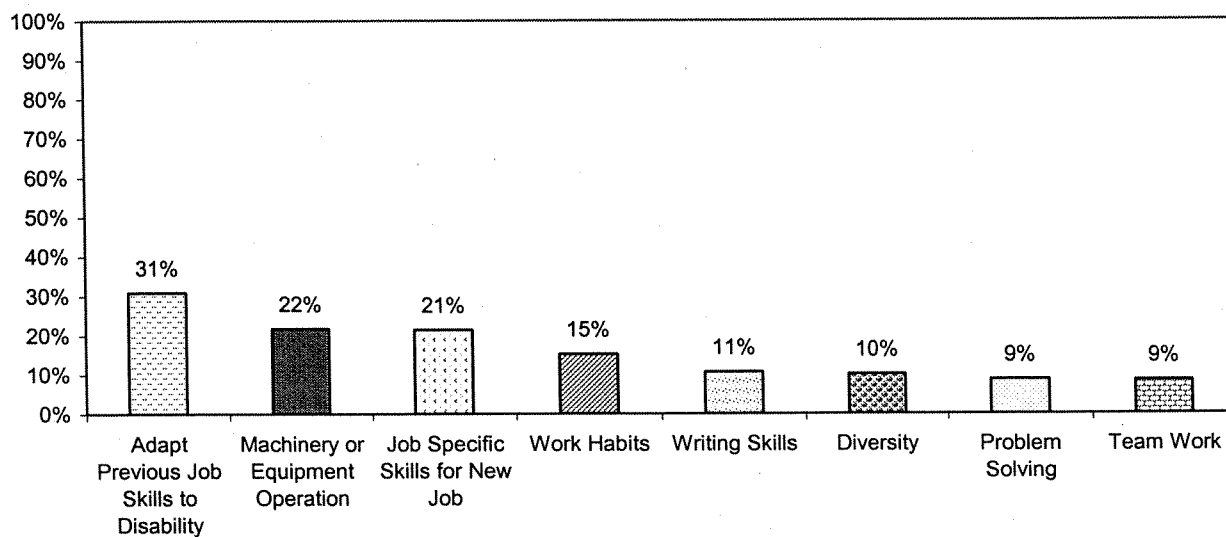
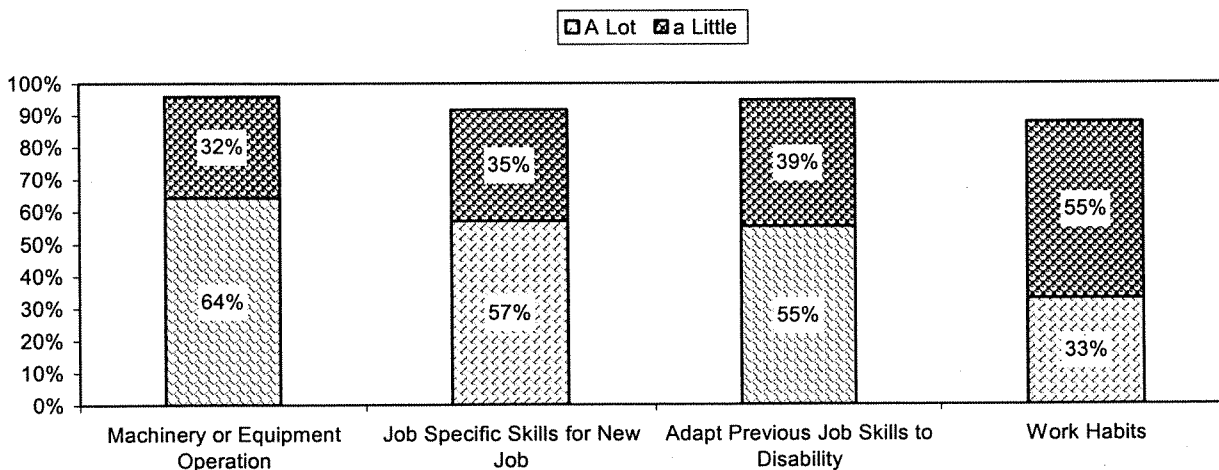


Figure 3
DSB Participants Receiving Specific Skills Training Who Reported Their Skills Improved a Little or a Lot



¹ A client receives a closure status of rehabilitated if they were working for at least 90 days prior to leaving the program.

(4) Participant Satisfaction

Percent Reporting Overall
Satisfaction With Program

81

Figure 4
Support Service Needs of DSB Program Participants
Among all Participants the Percentages Needing a Service
and Percentages Leaving With Needs Unmet

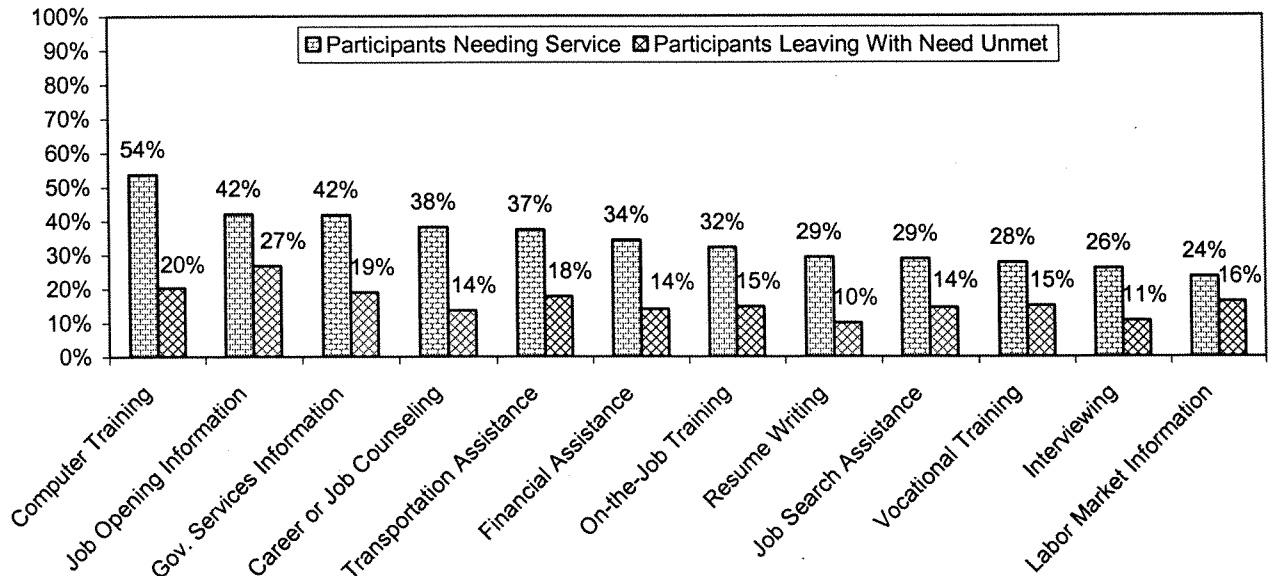
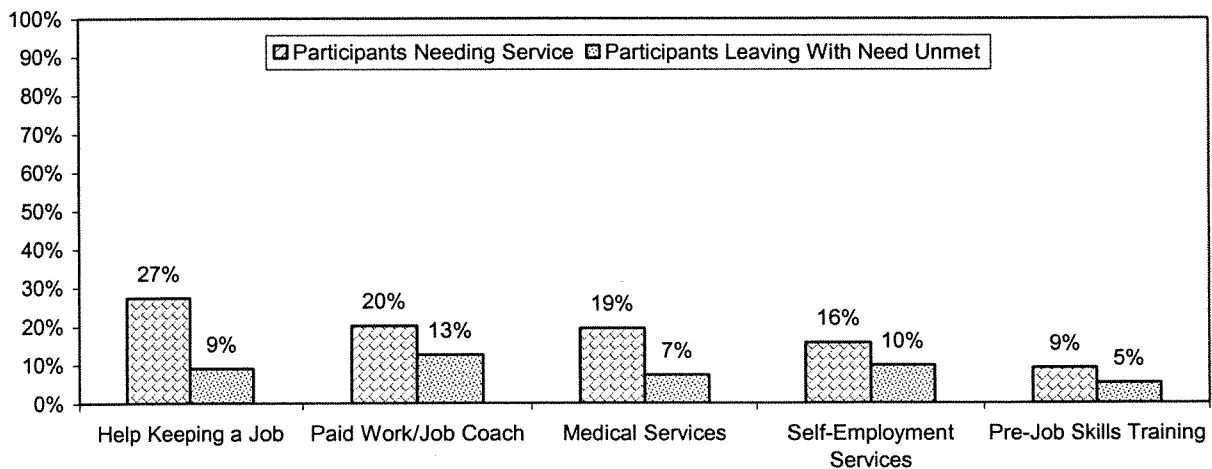


Figure 5
Additional Support Service Needs of DSB Program Participants
Among all Participants the Percentages Needing a Service
and Percentages Leaving With Needs Unmet



(5) Employment and Earnings

Figure 6

Employment and Earnings of DSB Participants in the Third Quarter After Leaving Program

	2001-02
Percentage self-reporting employment during third quarter after leaving program	70%
Percentage with employment reported by employers to ESD the third quarter after leaving program	41%
Median quarterly hours worked, of those working	430
Percentage employed full-time of those working (averaging 30 or more hours/week)	61%
Median annualized earnings of those working	\$20,006
Size of household in which median earnings would support at poverty level	4.5
Size of household in which median earnings would support at twice poverty level	1.3
Median hourly wage of those working	\$13.55
Percentage self-reporting receipt of medical benefits from employer	62%
Percentage self-reporting receipt of pension benefits from employer	46%

Notes: Earnings and wages are expressed in first quarter 2003 dollars. Poverty levels are based on federal poverty guidelines identified by the Department of Health and Human Services for 2003.

Among those clients who left the program with a status of rehabilitated, 62 percent had employment reported to the Employment Security Department (ESD) during the third quarter after leaving the program.

Please note that the employment rates based on matches with ESD Unemployment Insurance data are lower than those based on survey results. ESD records do not contain information on self-employment. The estimates also exclude employment in states that are not included in our matching process.

(6) Other Findings

- **Industry of Employment**

Employment among former DSB clients is heavily concentrated in services (primarily social services).

Industry Sector	Percent of Employment
Manufacturing	13
Retail Trade	15
Finance, Insurance, Real Estate	6
Services	49
Public Administration	9
Other	8

- **Pre-Program and Post-Program Employment**

Less than one-third (29 percent) of clients were employed during the third quarter prior to the program.

Among those not employed during the third quarter prior, 31 percent had employment reported to ESD during the third quarter after leaving the program.

Among those employed during the third quarter prior, 66 percent had reported employment during the third post-program quarter.

Secondary Career and Technical Education

(1) Data

The student administrative record data and employment outcomes data from Unemployment Insurance records are now being compiled. We expect to receive these data from the Office of Superintendent of Public Instruction soon. This presentation is based on information from our participant and employer surveys.

- Telephone survey responses from 1,824 vocational completers, providing additional information on employment and satisfaction with the program.
- Survey responses from 337 firms that hired new employees who recently completed a secondary career and technical education program.

(2) Competency Gains

Figure 1
Secondary Career and Technical Education Completers Receiving Specific Skills Training

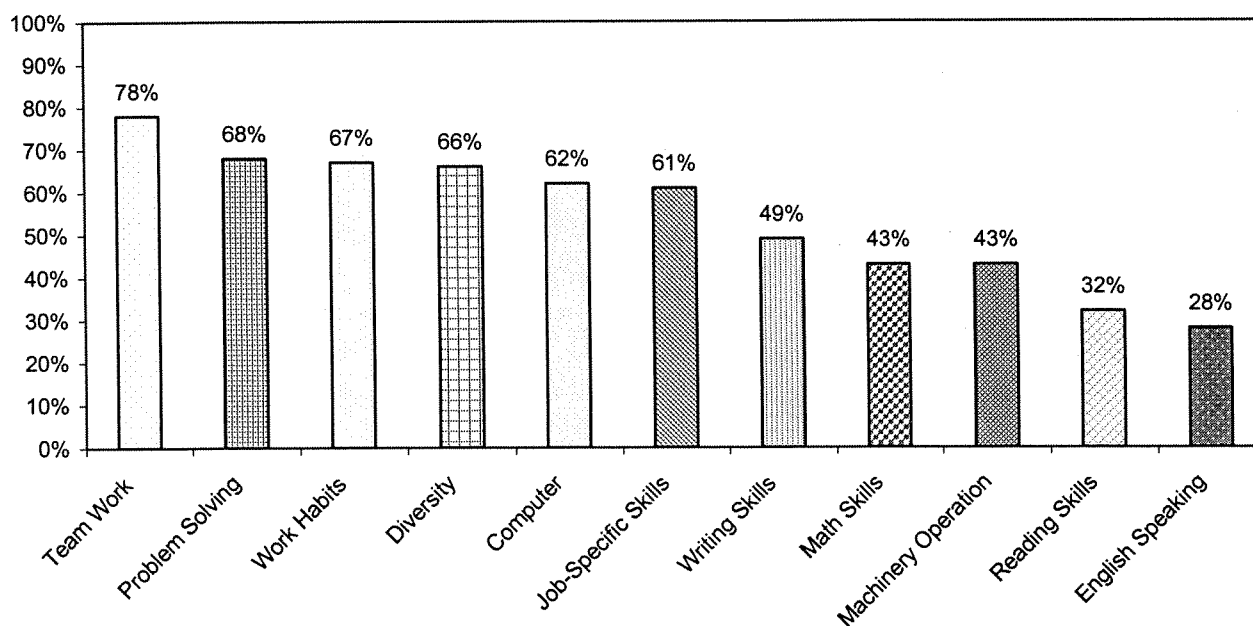


Figure 2
Secondary Career and Technical Education Completers Receiving Specific Skills
Training Who Reported Their Skills Improved a Little or a Lot

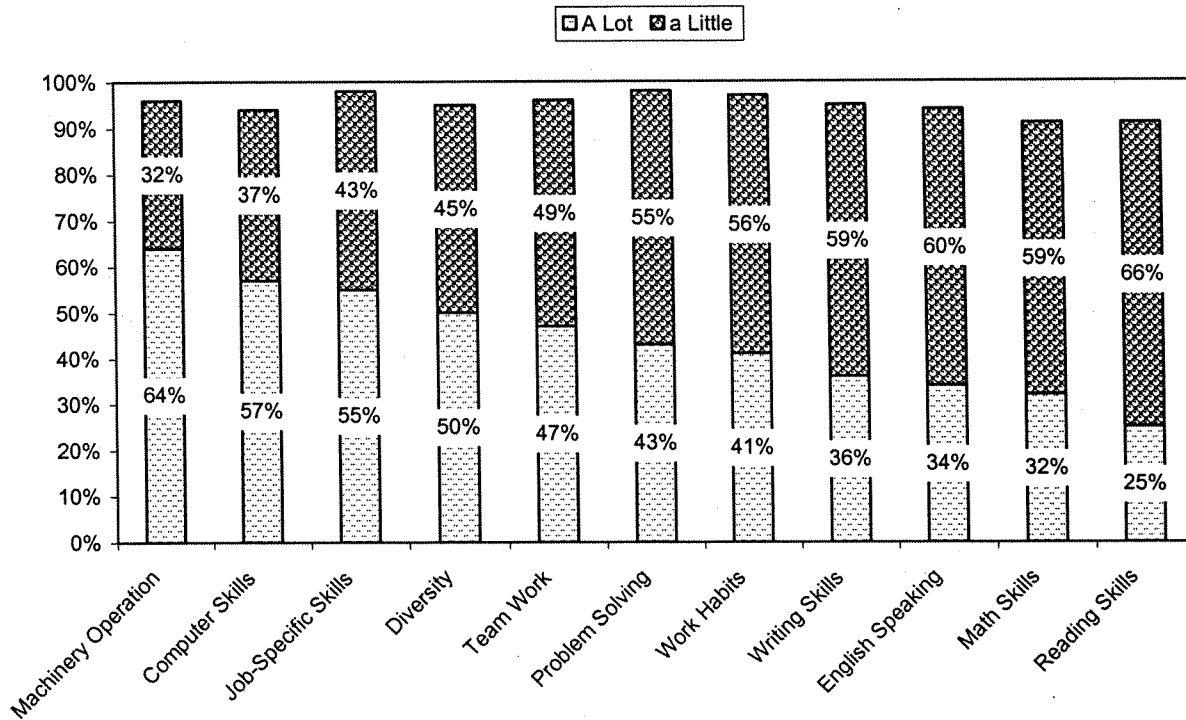


Figure 3
Percentage of Secondary Career and Technical Education Completers who
Said Their Job-Specific Skills Improved a Lot

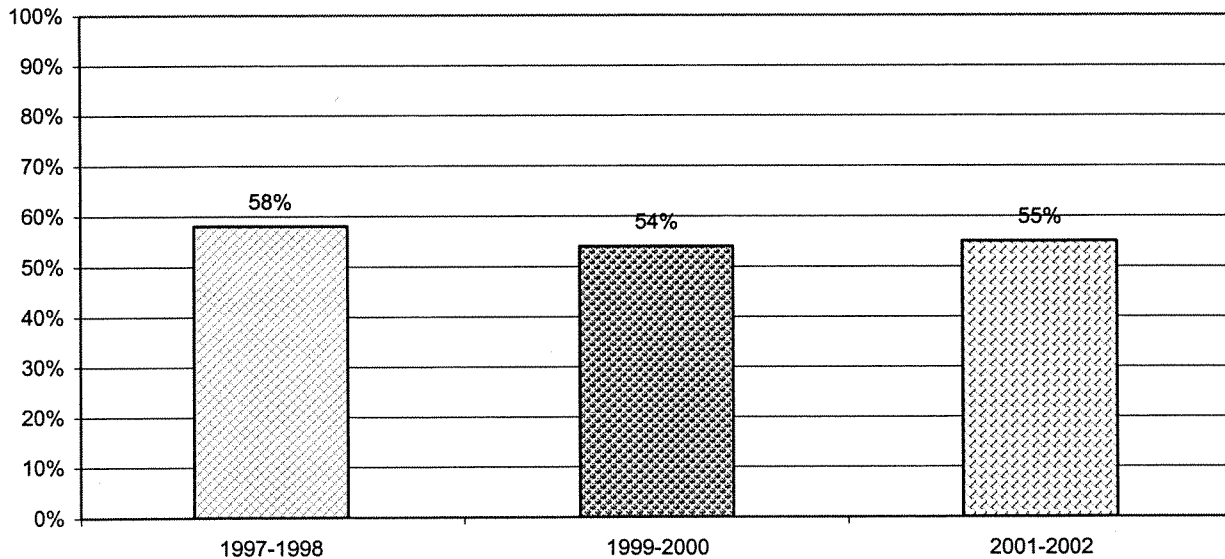
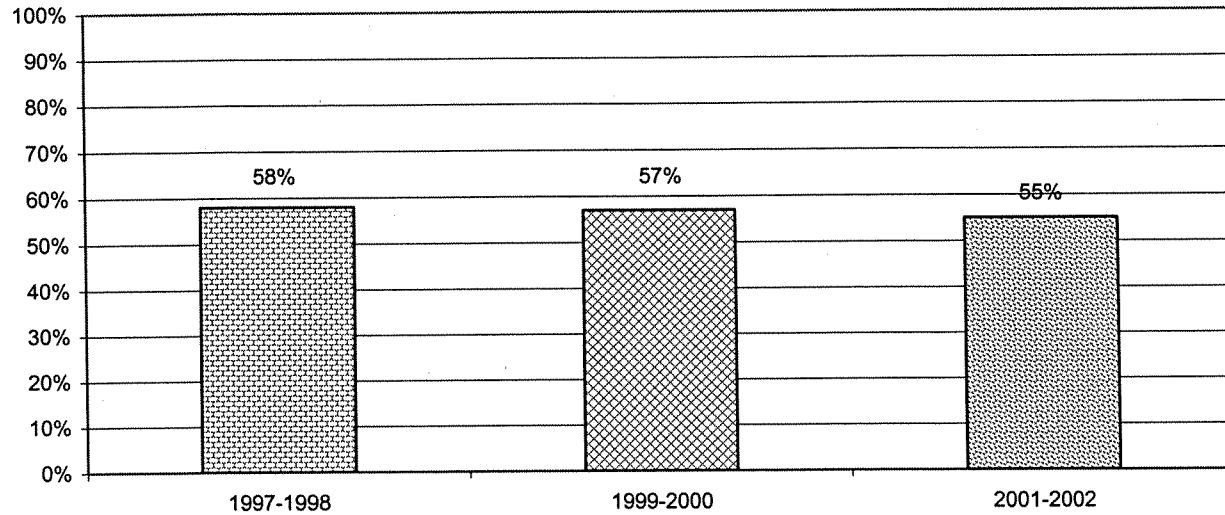
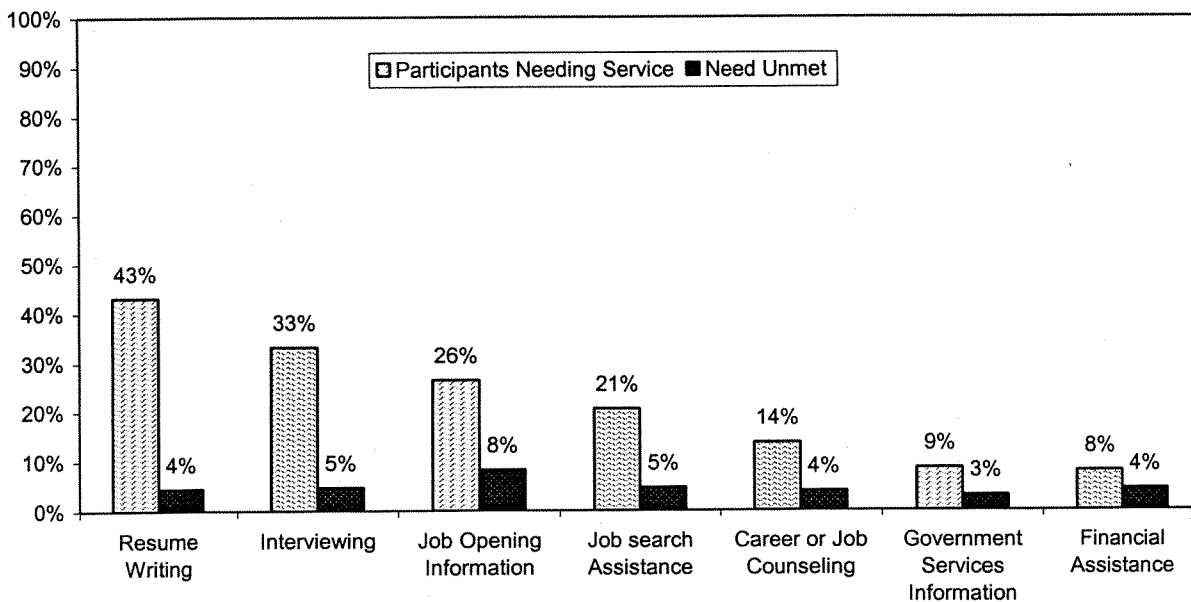


Figure 4
Percentage of Employed Former Secondary Career and Technical Education
Students who Said Education was Related to Job Held Nine Months After
Program



(3) Participant Satisfaction

Figure 5
Support Service Needs of Secondary Career and Technical Education
Students Among all Students the Percentages Needing a Service
and Percentages Leaving with Needs Unmet



Percent Reporting Overall
Satisfaction With Program

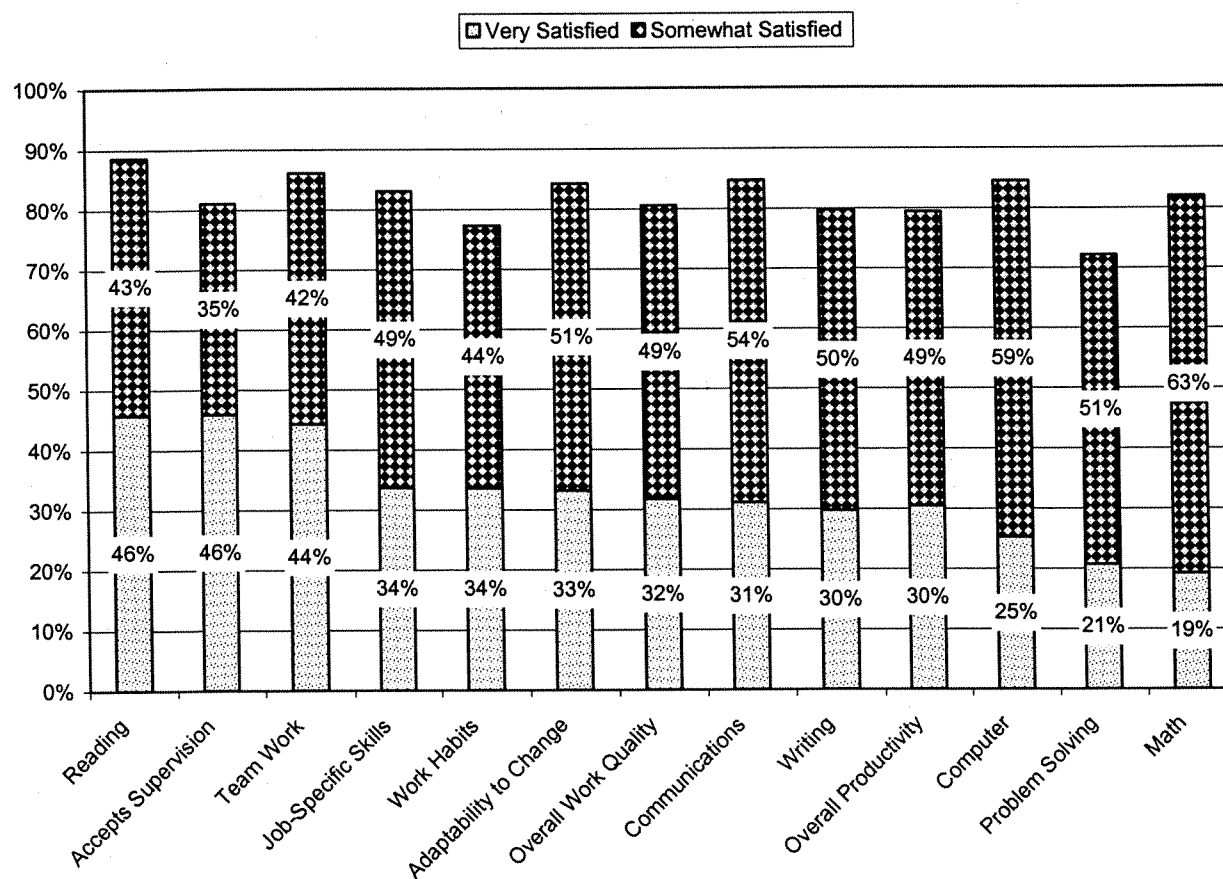
95 (96 two years ago)

Percent Reporting Educational
Objectives Met

96 (97 two years ago)

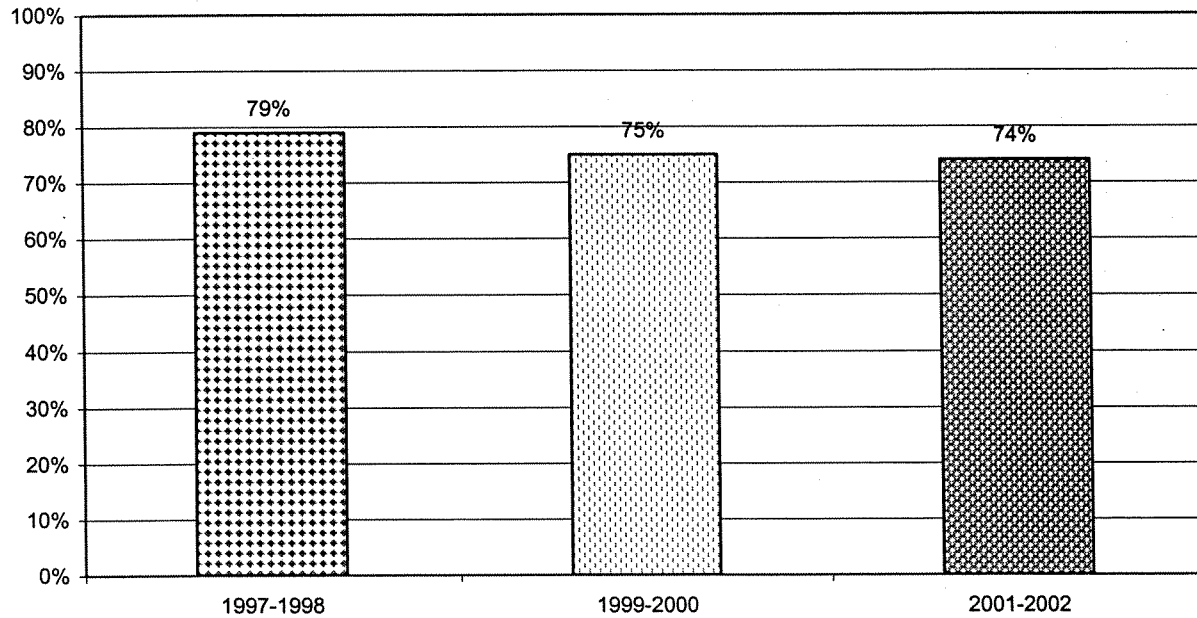
(4) Employer Satisfaction

Figure 6
Employer Satisfaction With New Employees Who Had Recently Completed a
Secondary Career and Technical Education Program



(5) Employment

Figure 7
Percentage of Secondary Career and Technical Education Completers Self-Reporting Employment 6 to 9 Months After Leaving School



Workforce Training Results—Additional Research Items and Policy Issues

Board members suggested additional research items and raised policy issues during the discussion of *Workforce Training Results* at the March meeting. These items and issues are listed below along with proposed responses to address them.

(1) Distinguish Between GED and High School Diploma Receipt Among WIA Youth

Staff presented estimates, based on administrative data collected through the SKIES data reporting system, of the percentages of WIA Youth who completed high school. Board members suggested that the attainment of high school diplomas and GED be reported separately whenever possible.

Response: The estimates provided at the March board meeting were for all WIA youth (ages 14 to 21 at registration). The data for all youth do not distinguish between attainments of a high school diploma versus a GED. SKIES data for younger youth (ages 14 to 18 at registration), however, do distinguish between diploma and GED attainment. These data are summarized below.

High School Completion Among Younger WIA Youth

Obtained a high school diploma	23%
Obtained a GED	13%
Still enrolled in high school at program exit	25%
Did not obtain a diploma or GED	39%

These statistics will be presented in *Workforce Training Results*. High school completion and GED attainment will be reported separately whenever possible.

In addition to this research, the Workforce Board and the Employment Security Department, in cooperation with the Office of Superintendent of Public Instruction and local Workforce Development Councils are working to improve the share of youth who obtain high school diplomas through the investment of WIA 10 percent funds (described in Tab 2).

(2) Participant Outcomes by Occupation

In order to better understand the labor market outcomes of program participants and to better assess the extent to which training is related to employment, Board members suggested we collect and analyze information on occupation. The Unemployment Insurance (UI) wage record data we use to examine employment outcomes do not contain information on occupation.

Response: Staff are investigating collecting information on occupation in our participant surveys. Options will be presented to the interagency Performance Management for Continuous Improvement (PMCI) workgroup which will develop and recommend a protocol.

(3) Industry of Employment

Board members also suggested that we provide additional information on the industry of employment for program participants. This information is included in UI wage records.

Response: Staff will add tables to *Workforce Training Results* that summarize post-program employment by industry for each of the programs. An example for Workforce Investment Act (WIA) Title I-B Dislocated Workers is provided below.

WIA Dislocated Workers	
Industry of Employment During Third Quarter After Leaving Program	
Industry Group	Percent of Total Employment
Agriculture, Forestry, Fishing	1.6%
Construction	6.3%
Manufacturing	19.7%
Food and kindred	1.6%
Lumber & Wood	4.3%
Paper	2.4%
Printing, Publishing	1.0%
Fabricated Metal Products	1.0%
Machinery, Computer	1.5%
Electronics	1.0%
Aircraft	1.3%
Other Manufacturing	5.6%
Transportation, Communication, Utilities	10.0%
Wholesale Trade	6.7%
Retail Trade	11.2%
Finance, Insurance, Real Estate	6.1%
Services	31.6%
Personnel Supply (including temporary help)	4.5%
Computer Programming, Data Processing	2.2%
Health Services	7.3%
Educational Services	3.9%
Social Services	2.3%
Engineering, Research, Management	3.2%
Other Services	8.2%
Public Administration	6.4%

(4) Gender Gap in Earnings by Course of Instruction

When reviewing the gender gap in earnings among former community and technical college Job Preparatory students, Board members suggested that staff provide information on the extent to which gender differences in courses of instruction contribute to earnings differences.

Response: Staff will examine the extent to which gender differences in enrollments by course of instruction account for the earnings gap for former job preparatory and secondary career and education students. These findings will be reported in *Workforce Training Results*.

(5) Gender Differences in Earnings for Apprentices by Type of Program

Staff presented estimates indicating that the gender gap in earnings among former apprentices is primarily due to the heavier concentration of women in apprenticeship programs outside the building and construction trades (e.g., programs for cosmetologists, childcare workers, and teaching/library assistants). Board members asked that the charts used to summarize gender differences reflect this finding.

Response: Staff will separate the traditional trade apprenticeships from the newer non-trade apprenticeships in the charts that summarize trends in earnings differentials by gender.

(6) Importance of Workplace Skills

During the discussion of employer satisfaction with employee skills, Board members stressed the importance of workplace skills (e.g., team work, work habits, communication).

Response: The 2004 draft of “High Skills, High Wages,” includes a new strategy, 1.3.5, “Create “employability skills” education and training programs or build this component into currently existing programs.” Also, the work to create a work readiness credential will enable programs to craft such instruction in a way that meets employer needs.

(7) Factors Affecting Apprenticeship Completion

Staff presented estimates of the substantial impact that program completion has on the earnings of former apprentices. Completion rates vary considerably by race and ethnicity. Board members suggested that staff investigate the factors that affect completion of apprenticeship programs.

Response: Staff could develop and conduct a research project on apprenticeship completion. Our current data are not sufficient, and staff will consider how to best collect the required administrative and survey data in collaboration with the apprenticeship program leadership.

(8) Results by Workforce Development Area

Board members noted that it would be useful to have the program outcomes for different regions of the state.

Response: Staff will estimate and distribute program results for each of the 12 Workforce Development Areas.

TAB 4

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

**WORKFORCE DEVELOPMENT COUNCIL
CERTIFICATIONS FOR 2004 - 2006**

The Workforce Investment Act requires governors to certify Workforce Development Councils (WDCs) every two years. In 2000 and again in 2002, the Board recommended that Governor Locke certify Washington State's 12 WDCs. In March 2004, Chief Local Elected Officials (CLEOs) submitted their applications for council re-certification. Each application identifies community leaders appointed by CLEOs to serve on their local area council for a period beginning July 1, 2004.

A Board committee made up of Janet Bloom (for Sylvia Mundy), David Harrison, Asbury Lockett, Randy Loomans (for Rick Bender), and Pam Lund met on April 26, 2004, to review 11 council certification applications. The committee concluded that the 11 applications satisfied the Governor's certification criteria. With four approving votes and one abstention, the committee moved to advise the full Board to recommend the Governor certify the following WDCs:

Spokane Area WDC	Pacific Mountain WDC – one appointment in process
Eastern Washington Partnership WDC	North Central WDC – one appointment in process
Olympic WDC	Tri-County WDC – four appointments in process
Tacoma-Pierce County WDC	Northwest WDC – one appointment in process
Snohomish County WDC	Benton-Franklin WDC – one appointment in process
Seattle-King County WDC	

As shown above, CLEOs in five Workforce Development Areas have not finished appointing new council members. Board recommendations for these five councils should not be forwarded to the Governor until all remaining appointments are complete. It is expected that these appointments will be completed by the end of May 2004.

CLEOs in the Southwest Washington Workforce Development Area have not yet submitted their application for 2004 council certification. Once member vacancies are filled, the Southwest WDC should be able to meet the Governor's certification criteria. The Board's certification review committee expects to complete its review of the Southwest WDC application by mid June.

Data on race and ethnicity of WDC members will be available on May 13, 2004. The demographic characteristics of WDC members were not available during the committee meeting and was the reason for the one abstaining vote.

Board Action Requested: Adoption of the recommended motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Investment Act requires governors to certify Workforce Development Councils every two years and current certifications of the local councils end in June 2004;

WHEREAS, One of the roles of the Workforce Training and Education Coordinating Board is to review council certification applications and recommend Governor approval for councils meeting the Governor's certification criteria; and

WHEREAS, On April 26, 2004, a committee of the Board concluded that certification applications for 11 Workforce Development Councils meet the Governor's criteria for council certification;

THEREFORE BE IT RESOLVED, That the Workforce Training and Education Coordinating Board recommend the Governor certify the following Workforce Development Councils for the period beginning July 1, 2004:

- Spokane Area Workforce Development Council
- Eastern Washington Partnership Workforce Development Council
- Olympic Workforce Development Council
- Tacoma-Pierce County Workforce Development Council
- Snohomish County Workforce Development Council
- Seattle-King County Workforce Development Council
- Pacific Mountain Workforce Development Council
- North Central Workforce Development Council
- Tri-County Workforce Development Council
- Northwest Workforce Development Council
- Benton-Franklin Workforce Development Council

BE IT FURTHER RESOLVED, That the recommendations be forwarded to the Governor only after council appointments are complete; and

BE IT FURTHER RESOLVED, That the Board's certification review committee be authorized to act on behalf of the full Board to recommend the Governor certify the Southwest Washington Workforce Development Council once the committee determines that this Council meets the Governor's certification criteria.

TAB 5

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

WORK READINESS CREDENTIAL PILOT PROJECT - UPDATE

In June 2003, the Workforce Training and Education Coordinating Board (Workforce Board) adopted a motion to participate as a pilot site in the Work Readiness Credential project, initiated by the National Institute For Literacy and the National Association of Manufacturers.

National partners include: the National Skill Standards Board, the Manufacturing Skill Standards Council, the National Retail Foundation, the Center for Workforce Preparation/U.S. Chamber of Commerce, and the Institute of Educational Leadership. Partner states participating in this project are Florida, New Jersey, and New York.

This credential will provide valuable and cost-saving ways to address skills gaps. It will set a foundation for existing assessments to connect with the knowledge, skills, and abilities identified by employers from the business/administrative, education and training, finance and insurance, health and human services, manufacturing, hospitality and tourism, retail and wholesale trade, telecommunications, and utilities and environmental management industries.

The project is now in the second of four major phases of development. Once complete, the credential will signify a common standard for work readiness reflecting the demands of the 21st Century workplace.

Local and state partners who made financial commitments to this project include: North Central Workforce Development Council; Snohomish County Workforce Development Council; Southwest Washington Workforce Development Council; Tacoma-Pierce County Workforce Development Council; Association of Washington Business; Department of Community, Trade and Economic Development; and Employment Security Department.

The summary under this face sheet provides background information; Phase I outcomes; Phases II-IV progress and timeline; and lists Washington State employers who have participated in the project thus far. This tab includes communications that explain changes with the National Institute For Literacy, and plans to engage the Center for Workforce Preparation/U.S. Chamber of Commerce as the new national sponsor of the credential (*Attachment C*).

Board Action Required: None. For informational purposes only.

Work Readiness Credential Pilot Project – Update
May 13, 2004

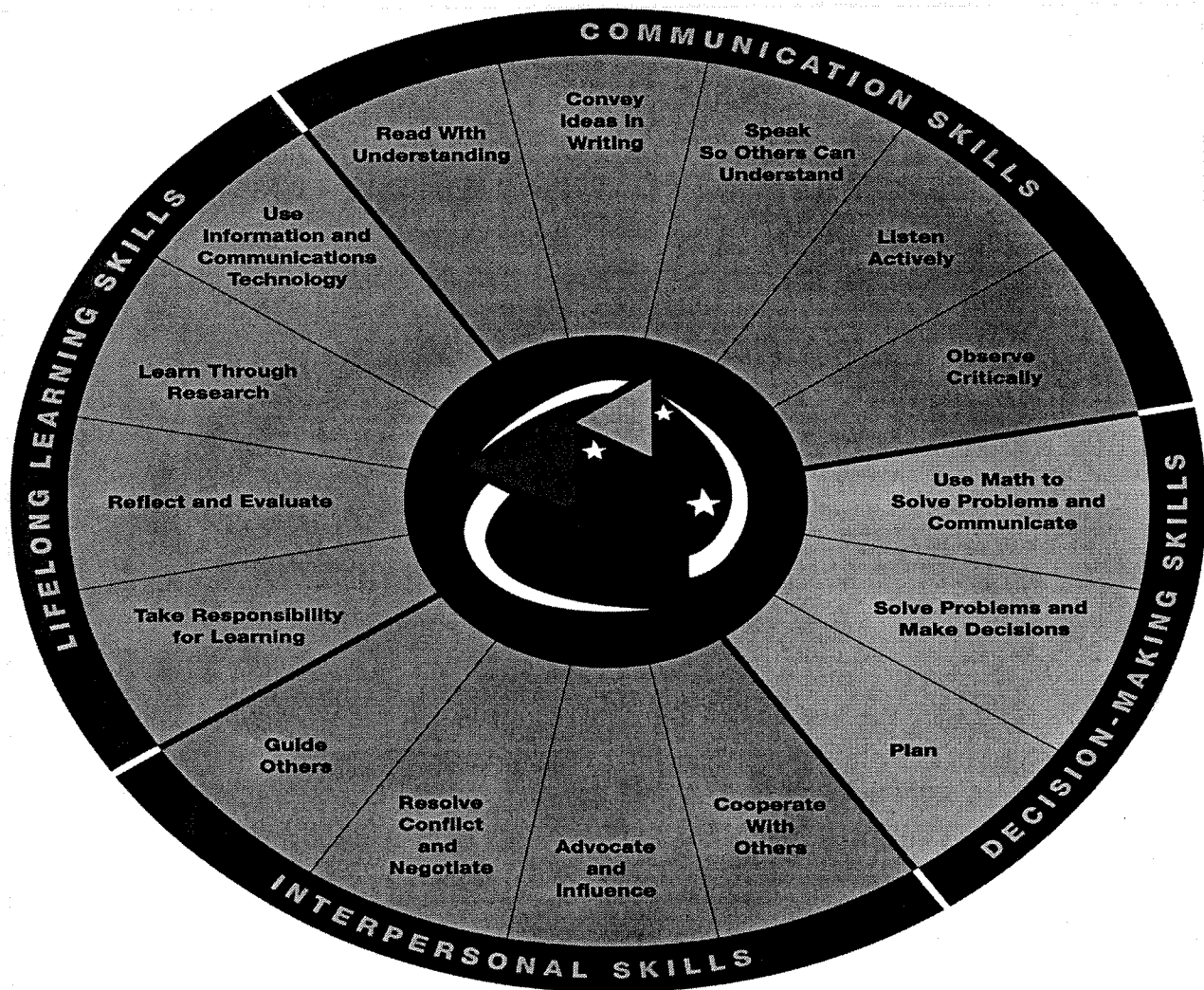


Figure 1. Equipped For the Future Adult Standards for Learning

Source: National Institute for Literacy website, <http://novel.nifl.gov/lincs/collections/eff/eff.htm>.

Background

Since 1994, the National Institute for Literacy (NIFL) has led a collaborative, nationwide effort to develop and implement 16 voluntary adult learning standards, known as Equipped for the Future (EFF) standards. Nearly 600 adult literacy programs in 38 states use these standards for teaching, and 17 states adopted these standards as statewide learning results for one or more of their adult systems, including Washington.

Using the EFF standards, the National Association of Manufacturers and NIFL initiated a pilot project with the states of Florida, New Jersey, New York, and Washington to create a workplace readiness credential (credential). State representatives are called the Policy Oversight Council (POC), and this group oversees the scope of work and product development for this project.

This credential will provide valuable and cost-saving ways to address skill gaps, and recruit and retain workers who are job ready:

- For employers and workforce partners, the credential will represent desired skills needed in many industries, no matter what the specific job may be. Industry partners will be able to recognize that jobseekers who hold the credential offer both technical know how and employability skills.
- The credential will set a foundation for the existing assessments used at WorkSource Centers.
- For future workers, this credential will show students where their skills meet workplace standards, and areas for improvement. The credential can add value to high school and postsecondary career guidance by showing students real industry expectations.
- Incumbent workers who are upgrading skills can use the credential to certify that they possess the skills for promotion, lateral changes, and that they are current with industry practices.
- As the job market changes, dislocated workers need to be able to transfer their knowledge sets across a variety of work environments. Many receive training to upgrade or acquire new skills; others can use the credential to recognize their own skill sets and apply them in new sectors.
- Craft trades receive more applications for apprenticeship slots than are available during their highly competitive screening process. Because trades provide rigorous training, the apprenticeship committees are looking for applicants with the employability skills that the credential will certify.
- Trainers will be able to use the credential to help basic skills deficient adults understand the workplace skills employers are looking for, and reach the workplace standard for success. The credential could be used to help teach life-long learning habits.

Progress

The project is now in the second of four major phases of development. The phases are sequentially designed to gather employer input, validate tools and assessments, field-test assessments, and to design and validate the credential by early 2006.

Phase I Outcomes

Since June 2003, over 70 Washington State business representatives (companies listed below) participated in an online Importance Ratings Survey. Their input, combined with over 400 business representatives across the country, was used in Structured Feedback Sessions. This includes employers from industries within Washington's key sectors, including manufacturing and information technology, and numerous small- to mid-sized businesses in both urban and

rural areas. Local partners were instrumental in ensuring companies' participation in both the survey and the feedback session.

AMB Tools & Equipment
Association of Washington Business
Cellar Café
Central Washington Hospital
Crawford & Company
C-Tech Industries
Dolco Packaging
DoubleTree Suites
Express Personnel
Fred Meyer
Goodrich Aviation Technical Services
Hastings
Highgate House Assisted Living
Hobart Machines

Intermec
Kimberly-Clark
Micropump
Mikron Technologies
Pacific Associates
Pacific NW Bank
Seabear Seafoods
Seattle City Light
Sound Transit
Starbucks
Truchot Environmental Consulting, Inc.
Venture Bank
Verizon
Wenatchee World Newspaper

Employer input was the basis of creation and validation of the Work Readiness Profile (*Attachment A*). The profile will serve as the standard for the set of skills employers most want the credential to be able to certify across industries. The profile covers core employability skills that are needed and applied in different work settings. The four skill areas employers cite as the most critical to job success and retention are communication skills, interpersonal skills, decision-making skills, and lifelong learning skills.

Phases II-IV Progress

The timeline and major tasks for project phases II-IV are listed in *Attachment B*. The review of existing assessments that may fit the profile is near completion. Assessments are tests based on standards for a certain set of skills, and provide a picture of a person's abilities in a skill area. Washington submitted several assessments for this review, including Select Fit, WorkKeys, NOCTI, Employment Readiness Scale, and Learning Resources, Inc.

The credential will incorporate and add value to assessments already being used in the public and private sectors. It is possible existing assessments may be compatible with the profile, and supplemental tools may be created to "bridge" any gaps among assessment systems. It is also possible the final review results will indicate a new assessment tool should be created to fit the profile.

In Phases III-IV, local partners and their business connections will field test and provide input that will lead to the validation of the credential.

The POC will meet on May 18 to discuss the assessment review and findings, as well as map a product and publications plan for the remainder of the project.

Promotion

Workforce Board staff will continue to engage employers and workforce partners across Washington. Washington's promotion efforts will be tied to key tasks in the project timeline, *Attachment B*. For instance, the profile was distributed to workforce partners with our year-end progress report.

Colleagues at the participating Workforce Development Councils (WDCs) are particularly helpful with promotion efforts. We are working closely with Snohomish Workforce Development Council staff to design presentations for the Snohomish business community. Presentations are being planned with WDCs, and at upcoming events, including WAVA/WAACTE summer conference, FOCUS 2004, and the Workforce Board's fall conference.

The Equipped For the Future Center for Training and Technical Assistance located at the University of Tennessee will activate the "WRC Website" to promote the credential on May 15, 2004. This site will feature research and products created, and state and national partner contact information. The link will be: <http://eff.cls.utk.edu/workreadiness>.

States are also reviewing and contributing marketing materials that can be used in all four states. Dr. Sondra Stein, who retired from NIFL on March 31, 2004, will continue to support credential development as an advisor to the POC. In this capacity, Dr. Stein will develop project promotion strategies, and she will work with additional states and national partners interested in the credential.

THE EFF WORK READINESS PROFILE

What New Workers in Entry Level Jobs Need to Be Able to Do

New workers need to be able to use these EFF Skills...

well enough to successfully carry out these critical entry level tasks*:

	Acquire and Use Information		Use Systems		Work With Others		Responsibility		Allocate Resources	
	Information		UNDERSTAND SYSTEMS		DIVERSITY		work.		• Use basic math well enough to get the job done.	
Communication Skills <ul style="list-style-type: none"> • Speaks So Others Can Understand • Listen Actively • Read With Understanding • Observe Critically 	<ul style="list-style-type: none"> • Acquire, use, and share information accurately and in a timely manner in order to: — Get work done. — Identify appropriate procedures. — Respond to requests from internal and external customers. 		<ul style="list-style-type: none"> • Understand how one's own success of the organization. • Comply with organizational policies and procedures in a consistent manner. • Pay attention to company guidelines regarding: — Personal and professional interactions. — Appropriate dress. — Health and safety. • Follow established procedures for handling urgent situations or emergencies. • Keep informed about quality and health standards set by external sources, including unions, OSHA, and other national and international organizations. • Go to the appropriate person/source when approval is needed for work-related activities. 		<ul style="list-style-type: none"> • Work as part of a team to develop and achieve mutual goals and objectives. • Develop and maintain good working relations with coworkers, supervisors, and others throughout the organization, regardless of background or position: — Be respectful and open to the thoughts, opinions, and contributions of others. — Avoid use of language or comments that stereotype others. 		<ul style="list-style-type: none"> • Demonstrate willingness to work. • Take responsibility for completing one's own work assignments: — Accurately. — On time. — To a high standard of quality. — Even when the work is physically or mentally challenging. — As efficiently as possible, to minimize costs, rework, and production time. • Show initiative in carrying out work assignments. 		<ul style="list-style-type: none"> • Manage time effectively to: — Get the work done on schedule. — Prioritize tasks. — Make sure that urgent tasks are completed on time. • Make sure that materials, tools, and equipment are available to do the job effectively. 	
Interpersonal Skills <ul style="list-style-type: none"> • Cooperate With Others • Resolve Conflict and Negotiate 	<ul style="list-style-type: none"> • Read and understand information presented in written form well enough to get the job done. • Communicate in spoken English well enough to get the job done. • Ask for clarification or help from supervisor or appropriate others when needed. 		<ul style="list-style-type: none"> • Keep informed about quality and health standards set by external sources, including unions, OSHA, and other national and international organizations. • Go to the appropriate person/source when approval is needed for work-related activities. 		<ul style="list-style-type: none"> • Address customer comments, questions, concerns and objections with direct, accurate, and timely responses. • Verify customer identification to validate forms, provide services, or carry out procedures. 		<ul style="list-style-type: none"> • Demonstrate integrity. • Maintain confidentiality, as appropriate, about matters encountered in the work setting. 		<ul style="list-style-type: none"> • Identify actual or potential problems related to one's own work: — Report them in a timely manner, according to company policy. — Help to fix them. 	
Decision Making Skills <ul style="list-style-type: none"> • Use Math to Solve Problems and Communicate • Solve Problems and Make Decisions 	<ul style="list-style-type: none"> • Learn how to use appropriate computer-based technology to get the job done most efficiently. • Be able to use a telephone, pager, radio, or other device to handle and process communication. • Make sure that all equipment is in safe working order. • Use equipment properly to minimize damage to equipment or injury to oneself or others. 		<ul style="list-style-type: none"> • Monitor quality of own work. • Accept and use constructive criticism for continuous improvement of own job performance. • Keep track of changes within the organization and adapt to them. 		<ul style="list-style-type: none"> • Display responsible behaviors at work: — Avoid absenteeism. — Demonstrate promptness. — Maintain appropriate grooming and hygiene. — Do not attend to personal business when on the job, except in emergencies. — Manage stressful situations effectively. 		<ul style="list-style-type: none"> • Demonstrate integrity. • Maintain confidentiality, as appropriate, about matters encountered in the work setting. 		<ul style="list-style-type: none"> • Tasks are organized according to SCANS categories. 	
Lifelong Learning Skills <ul style="list-style-type: none"> • Take Responsibility for Learning • Use Information and Communications Technology 	<ul style="list-style-type: none"> • Learn how to use appropriate computer-based technology to get the job done most efficiently. • Be able to use a telephone, pager, radio, or other device to handle and process communication. • Make sure that all equipment is in safe working order. • Use equipment properly to minimize damage to equipment or injury to oneself or others. 		<ul style="list-style-type: none"> • Monitor quality of own work. • Accept and use constructive criticism for continuous improvement of own job performance. • Keep track of changes within the organization and adapt to them. 		<ul style="list-style-type: none"> • Display responsible behaviors at work: — Avoid absenteeism. — Demonstrate promptness. — Maintain appropriate grooming and hygiene. — Do not attend to personal business when on the job, except in emergencies. — Manage stressful situations effectively. 		<ul style="list-style-type: none"> • Demonstrate integrity. • Maintain confidentiality, as appropriate, about matters encountered in the work setting. 		<ul style="list-style-type: none"> • Tasks are organized according to SCANS categories. 	
Equipped for the future <p>Equipped for the Future is an initiative of the National Institute for Literacy.</p>	<ul style="list-style-type: none"> • Learn how to use appropriate computer-based technology to get the job done most efficiently. • Be able to use a telephone, pager, radio, or other device to handle and process communication. • Make sure that all equipment is in safe working order. • Use equipment properly to minimize damage to equipment or injury to oneself or others. 		<ul style="list-style-type: none"> • Monitor quality of own work. • Accept and use constructive criticism for continuous improvement of own job performance. • Keep track of changes within the organization and adapt to them. 		<ul style="list-style-type: none"> • Display responsible behaviors at work: — Avoid absenteeism. — Demonstrate promptness. — Maintain appropriate grooming and hygiene. — Do not attend to personal business when on the job, except in emergencies. — Manage stressful situations effectively. 		<ul style="list-style-type: none"> • Demonstrate integrity. • Maintain confidentiality, as appropriate, about matters encountered in the work setting. 		<ul style="list-style-type: none"> • Tasks are organized according to SCANS categories. 	



Equipped for the future

Equipped for the Future is an initiative of the National Institute for Literacy.

DRAFT 12/05/03

Constructing a Work Readiness Credential **Project Timeline**

Phase 1: Establish EFF Skill Benchmarks and Design Credential Delivery System (December 2, 2002 – October 31, 2003)

- Task 1.1: Develop a draft EFF Work Readiness Skills Profile (12/2/02 – 4/4/03)
- Task 1.2: Draft design for the credentialing process and delivery system (12/2/02 – 10/31/03)
- Task 1.3: Gather importance ratings of skills (4/7/03 – 6/13/03)
- Task 1.4: Conduct structured feedback sessions (6/16/03 – 9/26/03)
- Task 1.5: Revise skills profile (9/29/03 – 10/31/03)
- Task 1.6: Prepare products and publications plan (moved to Phase 2)
- Task 1.7: Conduct Policy Oversight Council (POLICY OVERSIGHT COUNCIL) meetings (1/22/03, 10/30/03)

Phase 2: Identify and/or Develop and Pilot Test Assessment Instruments for the EFF Work Readiness Credential (February 23, 2004 – March 11, 2005)

- Task 2.1: Prepare assessment plan (2/23/04 – 5/14/04)
- Task 2.2: Identify existing instruments (3/8/04 – 5/14/04)
- 3rd Meeting of the POLICY OVERSIGHT COUNCIL – May 18, 2004*
- Task 2.3: Develop new instruments
 - Subtask 2.3.1: Develop assessment instruments (5/17/04 – 10/1/04)
 - Subtask 2.3.2: Develop structured interview (5/17/04 – 8/6/04)
- Task 2.4: Convert for computer- and/or Internet-based administration (5/24/04 – 11/5/04)
- 4th Meeting of the POLICY OVERSIGHT COUNCIL – mid-October 2004*
- Task 2.5: Pilot-test instruments (11/8/04 – 3/11/05)
- Task 2.6: Prepare curricular and instructional support materials (2/23/04 – 3/11/05)

Phase 3: Field-Test Assessment Instruments to Determine Their Validity as Measures of Work Readiness Skills (March 14, 2005 – January 6, 2006)

- Task 3.1: Specify validity evidence (3/14/05 – 4/1/05)
- 5th Meeting of the POLICY OVERSIGHT COUNCIL – late March 2005*
- Task 3.2: Validate assessment instruments

Subtask 3.2.1: Develop validation plan (4/4/05 – 4/15/05)

Subtask 3.2.2: Administer assessment instruments and collect criterion information (4/18/05 – 9/2/05)

Subtask 3.2.3: Conduct analyses (9/5/05 – 9/30/05)

Subtask 3.2.4: Prepare criterion-related validation report (10/3/05 – 11/4/05)

Task 3.3: Establish cut scores (11/7/05 – 1/6/06)

Task 3.4: Develop supporting products and publications (3/14/05 – 8/12/05)

Phase 4: Develop and Field Test the Work Readiness Credentialing Process (March 14, 2005 – March 10, 2006)

Task 4.1: Finalize design for the assessment instrument delivery system (3/14/05 – 7/8/05)

Task 4.2: Develop Work Readiness Credential support materials (8/22/05 – 1/27/06)

6th Meeting of the POLICY OVERSIGHT COUNCIL – late January 2006

Task 4.3: Field-test the credential delivery system (4/4/05 – 11/25/05)

Task 4.4: Design longitudinal evaluation (1/9/06 – 3/1/06)



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March 8, 2004

Ms. Pam Lund
Associate Director of Partnerships Team
Workforce Training, Education, & Coordinating Board
128 10th Avenue SW
P.O. Box 43105
Olympia, WA 98504-3105

Dear Ms. Lund:

Two years ago, the National Institute For Literacy (NIFL) took an important step toward addressing the growing gap between the skills job seekers have and the skills needed in 21st century workplaces. With you and several other states and national organizations as partners, the Institute agreed to fund and manage the developmental phases of a work readiness credential based on the skills and abilities reflected in the Equipped for the Future (EFF) content standards for adult learning.

The Institute is proud to have provided the seed money and brought together a wonderful and strong partnership to work on such a critical matter. Your participation in this effort has contributed enormously to our progress. Working with businesses and workforce leaders in the four partner states we have been able to construct a work readiness profile that accurately reflects business consensus of what work readiness means. And the response to our ongoing national validation of the profile, carried out with the help of our national partners, demonstrates that indeed we have defined a profile that can serve as a national standard.

As you know, the joint MOU that governs our work on the project stipulates that "after the Institute's contract with SRI terminates, the State Partners will undertake the Institute's responsibilities through the Policy Oversight Council (POC)...and the POC will make a collective determination for how the work will be managed for the duration of the development period." The Institute's contract with SRI is scheduled to end on April 16, 2004. As we near this date, and as the project focuses on areas that increasingly demand expertise in the workforce system, it is time for us to begin transitioning the management of the EFF work credential project to the state partners.

Over the next several weeks, Sondra Stein, EFF's National Director, and June Crawford, the Institute's Acting Deputy Director, will work with you to plan and carry out the transition. Our goal will be to make sure that the transfer of management responsibilities from the Institute to the Policy Oversight Council goes swiftly and smoothly and does not in any way impede the progress and success of this important project.

Page 2

I am convinced that the EFF Work Readiness Credential will provide an important tool for both employers and jobseekers by providing a valid and reliable signal that jobseekers have mastered the knowledge and skills necessary to be work ready. I thank you for your commitment and hard work and look forward to your continued success.

Sincerely,

A handwritten signature in cursive script, reading "Sandra Baxter".

Sandra Baxter
Interim Director

Cc: Regie Stites, SRI International

April 16, 2004

Beth Buehlmann, Executive Director
Center for Workforce Preparation
U.S. Chamber of Commerce
1615 H Street, NW
Washington, DC 20062

Dear Beth:

As of today, Florida, New Jersey, New York, and Washington, the state partners in the EFF Work Readiness Credential Project, officially take over management of the project from the National Institute for Literacy (NIFL). They are very interested in the Center for Workforce Preparation (CWP) at the U.S. Chamber of Commerce becoming the new national home for this important project. They have asked me, as project manager, to begin discussions with you about the possibility of CWP housing the coordinating function and taking a more active role in helping to market the credential to the business community.

As a member of the Policy Oversight Council for this project you know that the nationally portable work readiness credential we are developing will serve a critical need within the nation's workforce development system,

- providing individual job seekers with a reliable way to signal to prospective employers that they have the knowledge and skills necessary to meet the demands of the workplace and to learn on the job, and
- saving businesses millions of dollars in hiring and rehiring costs, by providing employers and intermediaries with a reliable and accurate tool for screening applicants.

The Center for Workforce Preparation is the states' first choice for a new national home for several reasons. The states believe it is time for us to move out of government into the private sector. Being part of the U.S Chamber would give the project the national credibility and visibility with business that is vital to our success. And there is such a strong fit between the goal of our project and the mission of CWP. The credential can be easily marketed as one of the array of products and services CWP offers employers to help them hire, train, and retain, and advance the qualified workers they need to remain competitive.

There are a number of benefits for CWP, as well, in assuming a more active and visible role in the effort. Because of the fit between the EFF Work Readiness Credential project and CWP's mission, this project offers:

- A tool for strengthening relationships with state and local chambers. I was pleased to see the responsiveness of local chambers to the survey Karen Elzey

sent out on our behalf. The state chambers in Florida, New Jersey and Washington have been actively engaged in promoting the project, since they see it as a service they can provide to their members.

- A tool for integrating measurement and accountability into a range of projects that CWP is already engaged in, including projects with Job Corps, Workplace Literacy, and Health Care Career Ladders.
- A way to extend the capacity and expertise of CWP. Since the credential defines a foundation for a range of career pathways, it provides a ready link to projects focused on community colleges and specific pathways. Plus, having me as part of your team means you'll have 24/7 access to the S.G. Stein resource center and data base in adult and workforce literacy!
- A way to increase exposure for CWP and CWP products and services in states and with sectors where CWP may not have a history of strong relationships.
- A possible source of revenue, downstream.

In order to help you evaluate this request, I have attached a summary work plan and budget for the project. This budget does not reflect the full costs of either my salary or administrative costs associated with project management, since these were, until now, part of NIFL's in kind contribution to the project. *There is no expectation that CWP would take on these expenses as part of agreeing to house the project.*

In order to increase the revenues available to the project to cover these new, unanticipated costs we are in the process of a more aggressive outreach campaign to states that have expressed an interest in the credential: these include California, Indiana, Massachusetts, Ohio, Pennsylvania, Rhode Island and Washington, D.C. We expect that by fall, when we are ready to pilot the work readiness assessment, we will have at least one new state partner. This will give us the necessary revenue to cover all currently projected expenditures for the duration of the project, including overhead and related support costs associated with project management at CWP or another organization.

Until that time, current revenue will be sufficient to cover salary, travel, etc. related to my project management duties (approximately 6 months). The only costs CWP would be expected to absorb during this period would be direct support costs (phone, internet, office support, etc.) which we estimate at \$600/month and whatever CWP's administrative overhead contribution to the Chamber usually is. The state partners have suggested that any agreement we reach with CWP might have a contingency clause that states CWP would not be responsible, at any point, for directly funding my salary, travel, or other related costs.

Over the next few weeks I will be conducting a full budget review with SRI to see if we can identify existing revenues that can be dedicated to project management for a longer period of time, without interfering with the success of the project. I will also be working with state partners to develop a business plan for the project.

I look forward to talking with you in the next week or so about CWP's interest in taking on this new role. Please let me know if you need any additional information, or if you

would like me to be part of a more formal briefing of CWP and Chamber staff. You can reach me at sondragay@aol.com or 202-271-7163.

Thanks very much for your ongoing support.

Talk to you soon.

Sondra Stein
Project Manager
EFF Work Readiness Credential

TAB 6

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

HIGH SKILLS, HIGH WAGES 2004

This tab includes:

1. The draft System Chapter (Chapter Three) that outlines the major programs of the workforce development system.
2. The draft Accountability Chapter (Chapter Four) that provides updated information on performance measures and accountability to reflect policies and practices currently in place.
3. A Summary of Feedback on the state strategic plan for workforce development contained in Chapter Five that compiles the major comments and suggestions for changes supplied by stakeholders. These were responses from invitations for feedback sent to the Workforce Board's newsletter list (over 3,500 people) between February and April, and comments made at the public forums held in Seattle on April 27 and Spokane on April 29.
4. A letter from the Workforce Development Council directors providing feedback on the state strategic plan contained in Chapter Five.
5. A draft discussion of priority strategies.

The May meeting is an opportunity for the Board to offer further guidance to staff on the preparation of the final draft. At the June 30 meeting the Board will take final action to adopt *High Skills, High Wages 2004*.

Board Action Required: None. For discussion purposes only.

Washington's Workforce Development System Today

What is the Workforce Development System?

The workforce development system consists of programs and services that prepare people for employment. There are 18 programs as defined in state statute and by Governor Gary Locke's Executive Order 99-02 (see Figure A). These programs focus on preparing individuals for jobs that do not require a baccalaureate degree, about 75 percent of all jobs in Washington.

Figure A

State Workforce Development System (RCW 28C.18, RCW 50.12, and E.O. 99-02)		
Operating Agency	Program	Annual Public Funds (\$)
State Board for Community and Technical Colleges	Postsecondary Technical Education	309,518,000
	Adult Education and Basic Skills	85,951,300
	Carl D. Perkins Postsecondary Technical Education	13,700,500
	Worker Retraining Program	34,255,100
	Volunteer Literacy Program	366,000
	Job Skills Program	1,475,000
Office of Superintendent of Public Instruction	Secondary Career and Technical Education	242,835,200
	Carl D. Perkins Secondary Career and Technical Education	9,655,500
	Even Start Family Literacy Program	2,908,500
Employment Security Department	Workforce Investment Act, Title I-B Dislocated Workers Program	39,395,500
	Workforce Investment Act, Title I-B Adult Training Programs	25,857,700
	Workforce Investment Act, Title I-B Youth Activities Program	27,578,700
	Training Benefits Program	20,000,000
	Wagner-Peyser	15,903,400
Department of Social and Health Services	Vocational Rehabilitation for the Blind	7,672,900
Opportunities Industrialization Center	Employment and Training for Migrant Seasonal Farm Workers	2,187,800
Department of Labor and Industries	Apprenticeship	1,050,000
Private Career Schools	(No Public Funds)	0
Total Public Funds		\$866,209,800

Other programs are not included in the state statute and executive order but are related to the workforce development system since they also prepare individuals for employment (see Figure B).

Figure B

Related Workforce Development Programs

- Washington's TANF Work Program (WorkFirst)
- Community Jobs
- Juvenile Corrections Education
- Refugee Assistance Program
- Employment and Training for Migrant and Seasonal Farm Workers
- Trade Act-Trade Adjustment Assistance Program
- Washington Service Corps/AmeriCorps
- Corrections Clearinghouse Program
- Job Corps
- Offender Education Program
- Washington State Business Enterprise for the Blind
- Washington Conservation Corps
- Displaced Homemaker Program
- Community Service Block Grant Program
- On-the-Job Training Program
- Claimant Placement Program
- Disabled Veterans' Outreach Program
- Local Veterans' Employment Representatives
- Special Employment Services for Offenders

The Workforce Training and Education Coordinating Board: System Planning and Evaluation

Created in 1991, the primary roles of the Workforce Training and Education Coordinator Board (Workforce Board) are to provide a system wide approach to strategic planning and accountability, and to foster partnerships among business, labor, and education and training programs. The Board consists of nine voting members with an equal, tripartite partnership of business, labor, and government/education. The Workforce Board also serves as the state's Workforce Investment Board as required by the Workforce Investment Act (WIA), and as the State Board for Vocational Education for the Carl D. Perkins Vocational and Applied Technology Act. Additionally, the Workforce Board licenses and regulates private career schools in Washington.

In order to carry out its strategic planning mission, the Workforce Board, in partnership with the agencies that administer workforce development programs, creates this strategic plan, *High Skills, High Wages*. The Board reviews the agencies' operating plans for consistency with *High Skill, High Wages*. In order to support policy development, the Board assesses the workforce development needs of employers and workers, including needs resulting from changes in the state economy and the demographics of the workforce. The Board also evaluates the results of workforce development programs and manages system-wide performance accountability.

In order to promote partnerships throughout the state, the Workforce Board assists in the creation and support of industry skill panels. There are currently 22 skill panels throughout the state in key economic clusters such as health care and information technology. The skill panels consist

of employer, labor, and education and training providers; they assess skill gaps in the cluster and develop strategies for addressing the gaps.

Local Workforce Development Councils: Meeting Local Workforce Priorities

Under Executive Order 99-02, the Governor called for the establishment of local Workforce Development Councils (WDCs) in 12 areas of the state to serve as local workforce investment boards required under the WIA. The Governor directs these local councils to:

- Develop a local unified plan for workforce development, including a strategic plan, an operating plan for WIA Title I-B, and other program operating plans consistent with the strategic plan.
- Ensure linkages of workforce development with economic development.
- Conduct oversight of the WorkSource (one-stop) system and promote the coordination of workforce development activities at the local level.
- Establish youth councils to coordinate services to disadvantaged youth.
- Provide for a coordinated and responsive system of outreach to employers.
- Assess the planning process.
- Collaborate in the development of WorkFirst service area plans.

WDCs are comprised of a majority of business representatives and include labor, education, community, and public agency representatives. WDCs have the flexibility to set priorities for their local areas while addressing the challenges in the governor's executive order.

Accountability for results is a responsibility shared by the local councils and the state Workforce Board.

Workforce Development for Youth

Secondary Career and Technical Education

Career and Technical Education (CTE), also known as vocational education, enables students to explore career options, learn academic and life skills, and prepare for work and postsecondary education. Model CTE programs integrate occupational skills learning with academic content. CTE programs are offered in grades 9 through 12 through approximately 235 local school districts and 10 vocational skills centers.

The K-12 System and CTE Advisory Councils

The State Board of Education (SBE), whose members are elected by local school board members, sets policies for the K-12 school system. SBE's executive officer is the Superintendent of Public Instruction, an elected state official who administers the Office of Superintendent of Public Instruction (OSPI). The Academic Achievement and Accountability Commission oversees K-12 accountability, including setting targets for high school graduation rates.

Locally elected school boards set K-12 policy at the district level. Districts with approved high school CTE programs are required to have general advisory councils and a program advisory committee for each CTE program. Composed of representatives of business and labor, these councils and committees help schools ensure that their programs meet the skill needs of local industry.

Currently, the SBE requires that all students complete at least one CTE course to fulfill graduation requirements. Some students complete an entire CTE sequence involving several related courses. The extent of CTE offerings varies significantly with district size, location, administrative support, and philosophy, resulting in varied opportunities for our state's high school students.

OSPI has developed new CTE program standards which will be used to approve and evaluate all CTE programs to ensure they incorporate workplace skills and industry-based skill standards. The new program standards differentiate programs as "exploratory" or "preparatory." Students taking exploratory programs explore a CTE program area or cluster to help them determine if they are interested in pursuing the program area/cluster leading to employment or related post high school training. Preparatory career and technical education programs provide opportunities for students to master occupational skills based on industry-defined standards which will prepare them for employment after graduation and/or advanced placement into a postsecondary CTE program.

In addition, OSPI provides curricular frameworks that organize all CTE programs within broad career pathways: agriculture and science; business and marketing; health and human services; and technology and industry. These frameworks provide a crosswalk with essential academic learning requirements, the five "Ps", and exploratory and preparatory components.

What Are Skills Centers?

Skills Centers provide career and technical education for a cluster of school districts and are an integral part of the K-12 system. Students age 16 to 21 in grades 11 or 12 learn job preparation skills and can take advantage of the close relationships that Skills Centers forge with industries. For example, the New Market Skills Center, Tumwater, offers computer game program design taught by the Digipen Institute in conjunction with Nintendo. It is an advanced placement program that includes math, computer science, computer programming, and 3D animation. Skills Centers offer education and training in a variety of occupations including health care occupations that are currently experiencing shortages.

Skills Center (continued)

Students learn basic skills, workplace readiness skills, and entry-level occupational competencies. They learn about career and postsecondary opportunities, participate in internships and work-based learning, develop a personal career portfolio and participate in a wide range of leadership activities/programs. They may also receive advanced placement or college credit through Tech-Prep programs.

An administrative council, comprised of the superintendents of the participating school districts, governs each Skills Center. Local districts contribute to the facility and equipment acquisition, and each district has an equal vote. Currently, Washington state has ten Skills Centers.

The Carl D. Perkins Vocational and Technical Education Act as amended in 1998 emphasizes the importance of integrating academic standards into CTE. Known as Perkins III, the Act provides additional funds for secondary *and postsecondary* career and technical education, emphasizes vocational programs' use of technology, teacher training, and distance learning. Perkins III increases state and local flexibility in providing services and activities designed to develop, implement, and improve vocational and technical education, including Tech-Prep education, and builds on state and local efforts to develop challenging academic standards. Nearly all community and technical colleges are applying the *Tech-Prep* model that offers students the opportunity to gain college credit when they take career and technical courses in high school.

The K-12 Foundation and Transitions to Life After High School

The education we offer students in our primary and secondary schools provides a critical foundation for learning throughout their lives. It is expected to provide the academic skills students will need as adults, as citizens, and as employers and employees.

Washington Performance-Based Education Act of 1992, and the Education Reform Act of 1993 set four student learning goals.¹ The fourth goal states students must, "Understand the importance of work and how performance, effort and decision directly affect future career and educational opportunities." For virtually all students, whatever option they choose upon leaving high school will eventually lead to the workplace. Whether they enter the state's workforce as student employees, as summer workers, or as full-time entry-level employees, Washington's youth must be prepared to be successful. As an increasing number of college students work part- and even full-time, the importance of basic work place competencies also increases for all students. And general workplace readiness skills are increasingly being demanded by businesses moving to a high performance style that demand higher teamwork and problem-solving skills from even its frontline workers.

¹ See RCW 28A.150.210 for the four student learning goals: Goal 1 - Read with comprehension, write with skill, and communicate effectively and responsibility in a variety of ways and settings; Goal 2 - Know and apply core concepts and principles of mathematics, social, physical, and life sciences; civics and history; geography; arts; and health and fitness; Goal 3 - Think analytically, logically, and creatively; and integrate experience and knowledge to form reasoned judgment and solve problems; Goal 4 - Understand the importance of work and how performance, effort and decision directly affect future career and educational opportunities.

New requirements for students graduating in 2008 and beyond call for completion of a culminating project, and an individual plan for the student's high school experience and one year beyond high school.² These strategies aim to ensure students connect what they learn in high school with future education and career options.

In order to improve transitions to life after high school, schools are partnering with community and technical colleges and baccalaureate institutions to improve the coordination of secondary and postsecondary education. Running Start, Tech-Prep, College in the High School, Advanced Placement courses – all of these are examples of options increasingly available to students so they can prepare for their education after high school, and often earn postsecondary credits at the same time. High schools are also partnering with apprenticeship program and directly with employers to enable students to explore or prepare for specific kinds of employment at the high school level.

The Five P's

OSPI encourages high schools to organize their courses and structure to facilitate effective student transition to life beyond high school. *The Five P's*: Pathways, Portfolio, Project, Plan and Parents, can form the basis of such a structure:

1. **Pathways** – Career pathways are an organized sequence of classes and activities that contribute to preparation for occupations of a similar kind (health or business for example).
2. **Portfolio** – A portfolio is a collection of student work and achievements used by the student to document progress along the pathway.
3. **Project** – A culminating senior project completed by the student illustrates his or her pathway work, and is usually presented to a panel of community reviewers for evaluation.
4. **Plan** – A student individual plan for the year after graduation including the steps needed to accomplish the goal (e.g., completing the first classes of an articulated program; preparing to meet baccalaureate admission standards; or earning industry skills certification.)
5. **Parents** – Involving parents and guardians in their child's planning and preparation for life after high school. Informing parents of the options available to their children, and creating a formal structure within the school schedule to have parents help in supporting and guiding their children in choosing courses that will help their children to fulfill future study and career goals.

State regulations require that students graduating in 2008 and beyond complete a culminating project, and an individual plan for their high school experience and one year after high school. Some schools have reorganized their high school programs to integrate career planning and preparation into their course curricula and schedules, and include all elements of the Five P's. See Franklin Pierce School District examples on page ~~XX~~.

² See RCW 28A.230.090 and WAC 180-51-061.

Preparing Low Income Youth for the Workforce

Youth Councils

Youth Councils, comprising members of local WDCs and other youth representatives, assess assets and gaps of youth-related services in their communities, and make recommendations to WDCs on issues pertaining to “at-risk” or out-of school youth (WIA Title I-B eligible youth). All 12 Youth Councils have also created service integration plans to better link youth services and service providers including non-WIA services.

The WIA Title I-B provides for programs that prepare low-income youth ages 14 to 21 for academic and employment success.³ The program is administered by the Employment Security Department (ESD), which partners with the Workforce Board to develop a five-year operation plan. The Governor and the Department of Labor (DOL) must approve the plan. Local WDCs develop similar operations plans, and receive funding based on federal and state allocation formulas.

Local providers assess youth to determine their academic skill level, and support service needs. These assessments enable the customizing of services to suit the needs of individual youths. Services include counseling, tutoring, job training, mentoring, or work experience. These youth may also participate in summer employment, skills training, or instruction in obtaining a GED or equivalent. The number of youth served in 2002 was 6,368.

Workforce Development and Employment Services for Adults

Postsecondary Technical Education

Workforce training and education for the 21st century is one of the major goals of community and technical colleges. According to the State Board for Community and Technical Colleges (SBCTC), the mission of workforce training is to provide “workforce education, training and retraining programs at community and technical colleges that will help students learn the full range of basic, pre-college, technical, and academic skills they need to get high-wage jobs and adapt to future career requirements in Washington's changing economy.”

Nearly half of all state supported students (45 percent) enrolled in community and technical colleges in 2002 - 2003 were upgrading, retraining, or preparing for a new job. All community and technical college programs are open to high school graduates or persons aged 18 years or older. Full-time students are assessed at admission and placed into appropriate courses. Some programs have prerequisites or selection criteria dictated by licensing or accreditation requirements.

³ Youth who are eligible to participate in WIA youth programs form one definition of “at-risk” youth. According to Section 101. Definitions, the Workforce Investment Act, 1998: an “eligible youth” is an individual who (a) is not less than age 14 and not more than age 21; (b) is a low income individual; and (c) is an individual who is one or more of the following: (i) Deficient in basic literacy skills; (ii) a school dropout; (iii) homeless, a runaway, or a foster child; (iv) pregnant or a parent; (v) an offender; (vi) an individual who requires additional assistance to complete an educational program, or to secure and hold employment.

The SBCTC goal statement for workforce training continues:

- Colleges will work with employers, labor groups, economic development organizations, and public-sector employment specialists to ensure that workforce education and training programs are relevant to local needs and enable students to get jobs close to home.
- The colleges will work closely with employers and labor groups to make sure their workforce education and training programs lead to job opportunities for highly trained graduates in emerging, high-wage career fields.
- Workforce education and training programs also will be designed to train workers in fields whose services are highly valued by society, such as health care and child care.
- Colleges and the college system will collaborate with public and private organizations to cover the cost of starting or revamping programs and to ensure that instructional equipment remains up-to-date.
- Instruction and training will be delivered in ways that meet the needs of students and employers, including short-term training at business sites.

The Community and Technical College System

Most students who graduate from Washington's high schools today will enroll in some form of postsecondary education or training. The largest number of graduates will attend the state's community and technical colleges. Washington has 34 community and technical colleges covering every county in the state. Training is offered at more than 600 sites including multiple extension sites, technology centers, business centers, and state prisons. The SBCTC, a nine-member board appointed by the Governor, oversees the community and technical college system.

Each college district has a board of trustees and a general advisory council and/or program advisory committees of business and labor representatives that is essential for approving, designing, and modifying workforce education and training programs, also known as occupational programs. Program advisory committees bring their industry expertise to bear in updating curricula, identifying new technologies to be obtained, and participating in the hiring of key instructors.

In order to fulfill the workforce training mission, Washington's community and technical colleges offer a variety of workforce training programs that include:

- Preparatory technical education that provides skill training for entry-level employment in a variety of technical occupations.
- Upgrading of skills and retraining to improve or supplement workers' skills in order to remain competitively employed or to advance their careers.
- Supplemental instruction in the classroom for indentured apprentices. This is a required component of apprenticeship programs that complements training and experience on the job.

In addition to state funds, the Carl D. Perkins Postsecondary Technical Education Act as amended in 1998, provides important supplemental funding for postsecondary workforce training targeted to improving the quality and outcomes of the programs.

Developing Industry-Based Skill Standards

Community and technical colleges, and skill panels engage businesses and labor to define the skills they require. These voluntary “skill standards” provide the framework for:

- Assessing training needs.
- Communicating performance expectations to employees.
- Clarifying expectations among employers, students, and educators.
- Designing curriculum that matches workplace requirements and improves the employability and productivity of students.
- Articulating with secondary programs.

Industry-defined skill standards specify what employees must know and be able to do within a particular industry and occupation thus enabling instructor to prepare student for success. Skill standards enable vertical and horizontal articulation between programs.

For program sectors where skill standards are well developed, programs can recognize the skills of incoming participants, no matter where those skills are learned – on a job, in high school, at a two-year college, or through some other public or private program. Instructors do not have to repeat what participants already know. When individuals are certified as meeting industry standards, employers know they have the skills.

Apprenticeship

Studies indicate that the integration of classroom and on-the-job training is an effective way to teach vocational skills. An example of this type of learning has been in place for centuries – apprenticeship.

Apprenticeship programs are supervised by joint labor-management committees, that approve curricula, monitor quality, screen and select applicants, and ensure that skills are portable. Industry and labor representatives constantly review programs to ensure their standards are up-to-date with changing workplace needs.

To be eligible for an apprenticeship program, individuals must be at least 16 years old and meet other minimum qualifications established by the industry. These entrance requirements can be rigorous and apprentices may enroll in preapprenticeship programs to prepare them for entry into apprenticeship programs.

Standards for apprenticeship agreements include a progressive increase in wages over time as new skills are mastered. Programs are designed to provide individuals with the ability to progress from entry-level to fully qualified journey-level workers. Completion standards include a minimum total hours worked and annual minimums for related and supplemental instruction.

The Washington State Apprenticeship and Training Council oversees apprenticeship training programs statewide. The Apprenticeship Section at the Department of Labor and Industries is the administrative arm of the Council. Financial contributions from employers and workers support apprenticeship programs. In 2003 there were 256 active apprenticeship programs, and 12,720 active apprentices.

Private Career Schools

To obtain or upgrade the skills needed in the labor market, many Washington residents enroll with private sector providers of workforce training.

Private career schools are independent businesses that provide occupational training. Most of them are small. They provide training at both at the sub-baccalaureate and baccalaureate levels. A total of 259 private career schools offer diploma or certificate granting programs in Washington, providing 1,200 different instructional programs to more than 26,000 students in 2002-2003.

No public funds are appropriated for private schools, although eligible students may obtain federal grants and loans to pay for educational expenses if the school they choose has been authorized to participate in U.S. Department of Education student aid programs. In addition, under WIA Title I-B training services some adults and dislocated workers are eligible for Individual Training Accounts (ITA) that will support tuition at postsecondary public and private schools that are on the Eligible Training Provider List (ETPL). School programs must pass minimum employment and wage standards for their program completers to be on the ETPL

Approximately 76 private career schools and 43 community and technical colleges, four-year universities, and high schools are currently approved by the Workforce Board to train eligible veterans and dependents, thus providing access to Veterans Administration educational benefits.

Private career schools are partners in the workforce training and education system, voluntarily contributing to many aspects of the system's growth and development. They gather and report annual demographic data of value to the workforce board's *Gap Analysis* and are active contributors to the accountability system, and consumer reports system, known as Job Training Results.

Customized Employee Training

Employer-Supported Training

Many Washington employers offer their employees some sort of formal training. According to a 2002 Workforce Board survey of Washington employers, almost half (48 percent) provided or paid for some classroom training that includes training in work place practices, basic skills training (reading, writing, math, and English language skills), and training in job specific skills. Among the firms that provided classroom training, 84 percent provided such training in job-specific skills, 73 percent provided it for work place practices, and 17 percent provided it for basic skills.⁴

Employers have been increasing training offered over the past three years because the skills required to adequately perform production or support jobs has increased due to expanded use of computers in their jobs, and the adoption of high-performance work organization practices. Employers project that their needs for workers with postsecondary training will increase during the next five years, and that the greatest needs will be for vocational associate degrees, and for masters, doctoral, or professional degrees.

Publicly Supported Customized Training

While many businesses contract directly with the community and technical colleges to provide training, they can sometimes qualify for state assistance. The Job Skills Program (JSP), created by the Legislature in 1983, brings together employers and educational institutions to provide customized employee training. State funds are combined with employer matching funds to support: New employee training for prospective employees for a new plant or when a company expands; current employee retraining when retraining is required to prevent the dislocation of those employees; current employee upgrading to enhance productivity and provide advancement opportunities; and industry initiatives supporting the development of customized training programs for several companies within an industry.

The Department of Community, Trade and Economic Development (CTED), and local economic development agencies consider JSP a valuable tool for recruiting companies to locate in Washington and to assist state-based companies to expand. Public secondary or postsecondary institutions, independent institutions, private careers schools, and apprenticeship trusts in partnership with businesses or groups of businesses are eligible to apply for JSP funds. The program also prioritizes areas with new and growing industries, industries where there is a shortage of skilled labor, economically disadvantaged areas with high unemployment rates, and areas affected by economic dislocation.

Business Retention and Expansion

Sixty to eighty percent of all new jobs are created by existing businesses. Local companies are valuable assets that communities cannot afford to ignore or lose. The jobs they generate further employment gains and create new businesses and tax revenues to boost local economies.

⁴ Workforce Training and Education Coordinating Board, *Washington State Employers' Workforce Training Needs and practices, 2002*, available at <<http://www.wtb.wa.gov/empsurv02.pdf>>

CTED's Business Retention and Expansion program works with manufacturing firms to support their retention and expansion. CTED staff, in conjunction with local Economic Development Council (EDC) staff, identify threatened or expanding manufacturing companies and provide problem-solving and technical assistance to these firms. The program also focuses on early warning, coordination of services and resources, assessment of industry issues, and capacity building for EDC staff, and assists rural counties with local business visitation programs.

Aiding Dislocated Workers

When the federal unemployment insurance system was created, the most common cause of unemployment was reduction in demand due to the business cycle. At that time, a laid-off worker had a reasonable expectation of returning to the same job or obtaining the same type of job in another firm within about six months after the economy moved out of the bottom of the cycle.

While this is still true for some industries, layoffs in today's economy are increasingly due to structural changes as technology advances and global labor markets shift. Employers who have closed or moved or eliminated the need for certain types of skills will not call laid-off employees back. Workers who have lost these jobs often find their skills are obsolete in the rapidly changing market. Before they can become reemployed, they often need retraining to upgrade their skills or acquire new ones.

WIA Title I-B, provides dislocated worker services. These services include rapid response services for workers and firms facing substantial layoffs, including establishing labor-management committees and pre-feasibility studies of employee ownership among other practices. Up to 25 percent of the funds may be used to support rapid response services to employers and worker representatives after a business closure is announced. Under WIA, all dislocated workers are eligible for core services, such as job counseling and job availability information. They will also be able to access "intensive" services and training services when necessary to find suitable employment. Since 1993, the Worker Retraining program has served 60,874 unemployed and dislocated workers at the public community and technical colleges and 3,156 students at 54 private career schools. In 2001-02 over 14,000 students participated in training opportunities provided by the Worker Retraining program.

Worker Retraining Program

The Worker Retraining Program supports education and training opportunities for dislocated workers and long-term unemployed workers at community and technical colleges and private careers schools. The program has served over 64,000 students since 1993 and in 2002-2003 served over 12,800 full-time equivalent students.⁵ Recognizing the increasing need for this type of training, the Washington State Legislature provided \$34.3 million to fund Worker Retraining in 2003-04, an increase of about \$5.6 million over the previous fiscal year.

Workers who qualify for the program may receive financial assistance that can help with their tuition, as well as offset the costs of child care and transportation. After their unemployment insurance runs out, students may receive additional financial assistance to help with living expenses. Worker Retraining programs must prepare students for occupations that have

⁵ State Board for Community and Technical Colleges, *Worker Retraining: Seventh Accountability Report for the Worker Retraining Program*, May 2003 available at <http://www.sbctc.ctc.edu/data/rsrchrpts/WFEAccountReportYr7.pdf>

demonstrated employment demand for qualified workers and lead to jobs providing a living wage appropriate to the local labor market. For example, in 2001-02, there was a 147 percent increase in the number of Worker Retraining students entering nursing programs (registered nursing and licensed practical nursing) and 72 percent increase in those entering allied health programs.

The results of the program are strong. Of program participants in the class of 2001, 80 percent were employed within seven to nine months of exiting the program, and workers obtained jobs that provided wages of between 86 to 114 percent of their hourly wages prior to job loss.

Training Benefits Program

The 2000 Legislature enacted the Training Benefits Program that offers dislocated workers additional unemployment insurance benefits for up to 74 weeks (depending on their industry) while they are in retraining. To be eligible, a claimant must show a need for training to find suitable work, establish that the full-time training program will enhance their marketable skills and earnings, and that such training is for an occupation that is in high demand in their local labor market as determined by the local WDC.

WorkSource: Washington's One-Stop Career Center Service

The Employment Security Department

The mission of ESD is to help people succeed throughout their working lives. ESD carries this out by supporting workers during times of unemployment, by connecting job seekers with employers who have jobs to fill, and by providing business and individuals with the information and tools they need to adapt to a changing economy.

ESD is the state administrative agency for WIA Title I-B, labor market information and analysis, and implementation of the WorkSource service delivery system. ESD also administers the unemployment insurance program and employment services under the Wagner-Peyser Act.

WorkSource (the One-Stop Career Development System)

ESD collaborates with other state agencies and local service deliverers to provide employment services to employers and job seekers through the WorkSource system, which is Washington's One-Stop career center system as required by the WIA. This system, launched in 2000, has increased efficiency in delivery of employment services, and is designed to provide more accessible and user-friendly services.

WorkSource is the primary portal to Washington's workforce development system for employers and for adults, including adults with barriers to employment. Basic employment services such as labor market information, career counseling, and job search assistance are widely available on-site at comprehensive WorkSource Centers and affiliate sites, and through self-service over the Internet.

Beyond these basic services, WorkSource offers information about, and access to, a wide array of workforce development programs including courses at community and technical colleges, private career schools, and other training providers (see www.jobtrainingresults.org).

Employers use Work Source to:

- Post job announcements and review resumes.
- Obtain recruitment, screening, and referral of qualified applicants.
- Receive technical assistance on labor regulations, recruitment, tax credit information, and unemployment insurance.

People seeking new or better jobs use WorkSource to:

- Obtain an initial assessment of their employment needs and readiness.
- Receive high-quality job counseling.
- Obtain information on available jobs.
- Post their resumes.
- View results of reports of training programs.

All individuals legally entitled to work in the United States and all employers are eligible for WorkSource services. Some programs are targeted to particular populations such as Unemployment Insurance claimants, migrant seasonal farm workers, veterans, and persons with disabilities.

WorkSource Partner Programs

WorkSource Partners include local programs administered by three state agencies: The Department of Social and Health Services (DSHS), ESD, and SBCTC. The federal WIA of 1998 and state statute require specific WorkSource partners (see Figure C).

Figure C

WorkSource partners required by the federal Workforce Investment Act of 1998:

- Workforce Investment Act Title I-B Youth, Adult, and Dislocated Worker Programs
- Public Exchange Services funded under the Wagner-Peyser Act
- Veterans' Workforce Programs
- Trade Adjustment Assistance and North American Free Trade Agreement Programs
- Local Veterans' Employment Representatives/ Disabled Veterans Outreach Program
- State Unemployment Compensation Programs
- Workforce Investment Act Title II Adult Education and Literacy programs including English-as-a Second language (ESL) programs
- Postsecondary Vocational Education Programs funded under the Carl D. Perkins Vocational and Applied Technology Act
- Senior Community Service Employment Program funded under Title V of the Older Americans Act
- Vocational Rehabilitation programs authorized under parts A and B of Title I of the Rehabilitation Act)

WorkSource partners required by the state:

- Claimant Placement Program
- Postsecondary Career and Technical Education Programs
- Worker Retraining Program
- WorkFirst
- English as a Second Language Programs

Other programs encouraged to be part of the WorkSource system include:

- Literacy Programs
- Apprenticeship Programs
- Americorps/Washington State Service Corps
- Tech-Prep Consortia
- Private Career and Technical Schools
- Other Programs identified by the WorkSource Regional Partnerships

Workforce Preparation and Employment Services for Adults with Barriers

Assisting Low-Income Adults

The WIA Title I-B Adults program prepares individuals 18 years and older for participation in the labor force by providing “core services” and access to job training and other services coordinated through WorkSource employment. Core services, such as skills assessment, labor market information, consumer reports on training programs, and job search and placement assistance, are available for all workers including those who are disadvantaged. Unemployed individuals who have been unable to find jobs and those who are employed but need additional services to reach self-sufficiency⁶ are able to access “intensive services.” Priority is given to welfare and low-income clients. Intensive services include comprehensive assessments, individual counseling, employment planning, and short-term prevocational services. Third tier “training services” are available to adults who meet intensive service eligibility but are unable to find employment through those services. These individuals are eligible for an ITA that pays for training services, and is designed to provide customer choice.

WorkFirst is the state’s welfare-to-work program for recipients of Temporary Assistance to Needy Families (TANF) and other low-income individuals. DSHS is the lead agency for WorkFirst in partnership with ESD, SBCTC, and CTED. Participants enter into a “personal responsibility contract” that includes an assessment of skills, prior work experience, and employability, and outlines the actions that will be taken to achieve the plan’s goals. WorkFirst participants may be eligible for a variety of education and training, employment, and support services. A few of these are outlined below:

- The **Community Jobs** program provides comprehensive, paid work experience plus training opportunities for TANF recipients who are encountering barriers entering the regular job market. CTED administers the program through contracts with private nonprofit organizations. Participants work for a minimum of 20 hours per week, and have access to

⁶ “Self-sufficiency” is defined by local workforce development councils in accordance with the living wage levels that are appropriate to the economies of their workforce development geographic area.

one-on-one mentoring support to resolve barriers to work. Participants remain in the program up to six months in order to gain both substantial work experience and an opportunity to deal with life situations beyond crisis management. The ultimate goal is unsubsidized job placement. The program serves about 2,600 participants per year.

- The **Pre-Employment Training (PET)** program prepares individuals for jobs through basic and occupational skills training that is customized to a particular employer. The program is typically 12 weeks of intensive training for above entry-level jobs. Colleges and private institutions offering PET work with employers to develop training program standards. In 2001-2002 over 3,100 individuals participated in PET.
- **Families That Work (FTW)** provides intensive training to welfare recipients and low-income parents with more significant barriers to employment. FTW focuses on basic academic skills, developing better parenting and personal management skills, and work readiness. SBCTC administers FTW. A total of 1,676 participants were served in 2001-2002.

Workplace Basic Skills

Increasing Adult Literacy, Basic Skills and English Language Skills

SBCTC's **Office of Adult Literacy** oversees the state's adult and basic education system with advice from the Washington Adult Education Advisory Council. The purpose of these programs and services are to:

- Assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency.
- Assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children.
- Assist adults in the completion of a secondary school education.

Programs and services are provided by the state's community and technical colleges and community-based organizations, and include: adult literacy, family learning, workplace skills enhancement, English language instruction, citizenship classes, basic skills education, high school equivalency preparation, alternative high school diploma, among others.

State funds from the SBCTC budget and WorkFirst funds support the **Workplace Basic Skills** program. The program provides customized, on-site instruction to workers in adult basic skills such as reading, writing, math; employability skills such as communication and problem-solving, and ESL competencies. Training is customized to meet the needs of the employer and to create learning opportunities for the participant within the context of the workplace where services are delivered. Once participants have completed the initial training, they are often offered follow-up training to stabilize them in their new jobs.

The WorkFirst program has also developed a special program for its participants who have difficulty communicating in English. The **Limited English Proficiency (LEP) Pathway** blends ESL instruction (clients are placed in one of three proficiency categories to determine what services they need), job search assistance, work, or work-like activities. Those who are employed remain

eligible for postemployment services. Over 60 percent of the families who need LEP services are former refugees who come to this country with intact families. LEP provided ESL training to 2,686 Washington residents July 2000 through June 2002.

Improving Earnings for People with Disabilities

The Division of Vocational Rehabilitation

As discussed in the Demographics Chapter, there is high unemployment and underemployment among individuals with disabilities. The Division of Vocational Rehabilitation offers vocational rehabilitation and training services to help individuals with disabilities to become employed. The primary objective is competitive, full-time employment. Depending on the individual's disability and functional limitations, however, other outcomes are sometimes more appropriate, such as part-time employment, self-employment, homemaking, sheltered employment, or supported employment. To meet these objectives, a series of customized services are offered such as assessment, counseling, vocational and other training services, physical and mental restoration services, and job search and placement assistance.

With the incorporation of the Rehabilitation Act into WIA, a key challenge is to develop partnerships in WorkSource sites. Coordination involves ensuring accessibility of WorkSource core services to person with disabilities and the inclusion of vocational rehabilitation services as part of the WorkSource system.

The Department of Services for the Blind

The Department of Services for the Blind (DSB) administers vocational rehabilitation services for individuals with limited vision. DSB services include assessment and referral, vocational counseling, job referral and placement, and rehabilitation training in adaptive skills, jobs skills, and assistive technology. DSB also provides occupational licenses, tools, equipment, technological aids, and other goods and services that can be reasonably expected to help participants achieve successful employment outcomes. DSB currently employs 12 full-time counselors with an average annual caseload close to 100 participants requiring intensive vocational rehabilitation services.

Performance Accountability

In order to meet the combined challenges of the competitive economy, and our changing labor force, and to make the best use of increasingly scarce resources, the workforce development system must continuously improve its performance. What counts are results in meeting the needs of our customers—students, job seekers, workers, and employers. The workforce development system must continuously measure results, identify areas to improve, and make the necessary improvements.

In the past, Washington State did not have an accountability system for workforce development. What we had were separate accountability activities for many of our programs.

Because these accountability activities were developed in order to meet separate program missions and requirements, they did not add up to systemwide accountability. There were no agreed upon measurable goals for the system as a whole and no standards for collecting consistent data from agency to agency. Often, data collection focused on inputs rather than results. Some programs did not evaluate what happened to their participants once they left their program, nor did they use program results to guide improvements. This has all changed.

Performance Management for Continuous Improvement

In January 1996, after a nearly two-year effort led by the Workforce Board and supported through the National Governors Association, the major workforce development programs adopted the design for a new accountability system, “Performance Management for Continuous Improvement” (PMCI). Having a systemwide framework enables workforce development programs to better coordinate services to customers.

This plan takes the PMCI framework and incorporates elements required under the Workforce Investment Act (WIA) of 1998 and the Carl D. Perkins Vocational Education and Applied Technology Act (Carl Perkins Act) amendments of the same year. While the federal acts retain many accountability requirements connected to program silos rather than the system, we have tried to continue a system approach to accountability.

Desired Outcomes for the Workforce Development System

PMCI identifies seven desired outcomes for the workforce development system as a whole. The Workforce Board first adopted these outcomes in 1996. These outcomes focus on the difference workforce development makes in the lives of program participants, their families, and their communities. These outcomes are not static targets but conditions that should be increasingly true for all people. Results on indicators of these outcomes should be measured for the population as a whole and separately for women, people of color, and people with disabilities.

- **Competencies:** Washington’s workforce possesses the skills and abilities required in the workplace.
- **Employment:** Washington’s workforce finds employment opportunities.

- **Earnings:** Washington's workforce achieves a family wage standard of living from earned income.
- **Productivity:** Washington's workforce is productive.
- **Reduced Poverty:** Washington's workforce lives above poverty.
- **Customer Satisfaction:** Workforce development participants and their employers are satisfied with workforce development services and results.
- **Return on Investment:** Workforce development programs provide returns that exceed program costs.

Workforce Development Systemwide Indicators

In order to measure Washington's progress in achieving these outcomes, PMCI includes systemwide indicators. Most of these are measures of the state's whole workforce, not just individuals who have gone through the programs. We want to know how well the whole state is doing, not just the relatively small part of our population who have been program participants.

No single quantitative measure can accurately depict the desired results for any of the desired outcomes. For example, for the outcome of employment, a low unemployment rate may seem like the best measure. However, a low unemployment rate can be created by a population exodus from an area where total employment is stagnant or falling. Therefore, to measure the desired outcome of employment, we need to measure the unemployment rate, the number of jobs created, and other variables as well.

Each variable is an indicator of how well the state is doing. Viewed in isolation they might be misleading, but together they paint a descriptive picture. By most indicators, we have made substantial improvement in recent years.

Systemwide Indicators and Most Recently Available Results

Competencies

- Percentage of Washington residents aged 25 and older who have earned a high school diploma or GED: 83.8 percent in 1990; 87.1 percent in 2000.
- Percentage of Washington residents aged 25 and older who have some postsecondary education: 55.9 percent in 1990; 62.1 percent in 2000.
- Percentage of Washington residents aged 25 and older who have earned a vocational Associate of Arts degree: 4.4 percent in 1990; 44 percent in 2000.
- The median age of job preparatory graduates from the community and technical college system: 31.1 years in 1995-96; 31.4 years in 1999-2000.

- Percentage of workforce training participants who report their job specific skills improved a lot: 67 percent for 1995-96 participants; 89 percent for 1999-2000.
- Percentage of employed former workforce training participants who report their training was related to the job held nine months after leaving their program: 69 percent for 1995-96 participants; 64 percent for 1999-2000.

Employment

- The proportion of people unemployed or underemployed (part time involuntary) in Washington's labor force compared to the proportion in the U.S: 1.43 to 1 in 1996; 1.01 to 1 in 1997.
- The number of new jobs created in Washington per year (does not include agricultural jobs, the count for which is unavailable): 96,400 in 1997; 82,100 in 1998.
- Mean duration of unemployment in Washington compared to the U.S: 115 percent in 1997; 128 percent in 1998.
- Percentage of workforce development program participants self-reporting employment six to nine months after leaving their program: 80 percent for 1995-96 participants; 83 percent for 1997-98.

Earnings

- Mean annual earnings of Washington workers (stated in 1999 dollars in order to control for inflation): \$30,654 in 1996; \$33,778 in 1998.
- Mean hourly wages of Washington workers (includes only employment covered by unemployment insurance and stated in 1999 dollars in order to control for inflation): \$14.74 in 1996; \$16.24 in 1998.
- Percentage of Washington residents under the age of 65 who are covered by employer-provided health benefits: 67.2 percent in 1997.
- Median hourly wage of workforce development program participants six to nine months after leaving their program (stated in 1999 dollars in order to control for inflation): \$8.21 for 1995-96 participants; \$9.41 for 1997-98 participants.
- Annualized quarterly earnings of workforce development program participants six to nine months after leaving their program (stated in 1999 dollars in order to control for inflation): \$13,718 for 1995-96 participants; \$16,200 for 1997-98 participants.

Productivity

- Annual gross business income per worker in Washington: \$205,957 in 1998.

Poverty

- The proportion of Washington residents living below the federal poverty level compared to the proportion in the United States: .91 to 1 in 1995; .69 to 1 in 1997.

Customer Satisfaction

- Percentage of former workforce training participants satisfied with program services and results: 89 percent for 1995-96 participants; 89 percent for 1997-98.
- Percentage of Washington employers satisfied with the overall quality of former training participants' work: 63 percent in 1997; 73 percent in 1999.

Return on Investment

- The average ratio of training participants' net benefits (projected to aged 65) to program public costs: 9.9 to 1 for 1991-92 participants.

Common Program Outcomes and Indicators

Individual workforce development programs, such as secondary career and technical education, WIA Title I-B, and apprenticeship each contribute to the desired outcomes for the system. In order to measure the participant results of the programs, PMCI has identified a large number of performance indicators that can be used to measure most workforce development programs.

The Workforce Board uses the common indicators every two years in producing the report, *Workforce Training Results*. The primary purpose of the report, and the common indicators, is to inform continuous improvement in state level policies. The list of common indicators is relatively long so that the information portrays a fairly complete picture of workforce development outcomes. All the indicators are "outcome" as opposed to "process" indicators, and all focus on outcomes for program participants. The focus is on what is good for the customers.

The common indicators and the methodology for measuring them are not permanent. They are continually evolving as we learn more from the research and as the data capacity of programs improves. The PMCI framework endeavors to use indicators that apply, for the most part, across workforce development programs. While the goal is to have consistent indicators and methodology across programs, there remain some differences among programs due to differences in data capability. There are also some differences in the indicators among programs because of differences in the populations served and the purposes of the programs. For instance, an indicator for programs that serve dislocated workers is earnings replacement. Such an indicator does not make sense for measuring programs that provide initial workforce preparation to youth.

The methodology for measuring results relies as much as possible on administrative records as opposed to program staff or participant self-reports. This data source is used in order to enable as much consistency and objectivity across programs as possible. To measure employment and earnings, the methodology takes advantage of the unemployment insurance wage files maintained by the Employment Security Department (ESD) (and the equivalent agency in other states). These files hold information on all employment covered by the unemployment insurance system—approximately 95 percent of all employment.

Another important feature of the methodology is the use of the time period of seven to nine months after a participant has left his or her program as the key period for measuring post-program results. The Workforce Board and its partner agencies have reviewed the actual results for each post-program quarter for three and a half years following program exit for five of the largest workforce development programs. We found that the third post-program quarter is the best possible single representation of the programs' relative and lasting results without waiting years to obtain long term results. Longer term earnings results, however, will also be reported up to two and a half years after program exit.

The Most Common Types of Indicators

Competencies

- a. **Educational credential attainment and industry certification:** Percentage or number of program participants leaving the program that year who were awarded the relevant educational or skill credential based on administrative records. (A participant is an individual who has demonstrated the intent to complete a sequence of program activities.)
- b. **Basic skills attainment:** Number and rate of participants leaving the program that year attaining certain basic skills gains based upon individual assessments of skill levels.
- c. **Participant perception of competencies gained:** Percentage of former participants who reported their skills improved as a result of the program as evidenced by survey responses from a sample of former participants to questions regarding selected skills.
- d. **Relatedness of training to employment:** Employment rate in the field related to occupational training as evidenced by survey responses from a sample of former participants.

Employment

- a. **Employment rate of former participants:** Percentage of former participants and the percentage of program completers with employment covered by unemployment insurance and other public administrative records during the third quarter after leaving the program combined with evidence from survey responses of former participants.
- b. **Employment or further education:** Percentage of former participants employed, in the military, or enrolled in education or training during the third quarter after leaving the program combined with evidence from survey responses of former participants.

Earnings and Reduced Poverty

- a. **Median earnings of former participants:** Median annualized earnings and median hourly wages of former participants and program completers in covered employment during the third quarter after leaving the program, based on unemployment insurance wage records.
- b. **Longer term median earnings of former participants:** Median annual earnings of former program participants and program completers in covered employment during four consecutive quarters after leaving the program, based on unemployment insurance wage records during post-program quarters three through six and seven through ten.
- c. **Median earnings replacement for dislocated workers:** Median of the ratio of dislocated worker participants' third quarter post-program earnings to their third quarter pre-separation earnings, based on unemployment insurance wage records.
- d. **Poverty and "family wage" standards of living:** Percentage of participants with earnings above the poverty level and the percentage above twice the poverty level.
 - 1. Number of individuals that former program participants' median covered earnings can support at the poverty level, based on unemployment insurance wage records during the third quarter after leaving the program.
 - 2. Percentage of former program participants who can support a family of one, a family of two, and a family of three at the poverty level, based on unemployment insurance wage records for the third quarter after leaving the program.
 - 3. Number of individuals that former participants' median covered earnings can support at twice the poverty level for a household of three during the third quarter after leaving the program.
- e. **Employee benefits:** Percentage of former program participants who receive employer-provided health benefits and the percentage who participate in pension plans during the third quarter after leaving the program.
- f. **Percentage of former participants receiving public assistance:** Percentage of former participants receiving TANF cash assistance during the third quarter after leaving the program based on administrative records.
- g. **Distribution of earnings:** The distribution of former participants annualized earnings over the range of earnings of Washington workers. Measured by the percentage of former participants with annualized earnings during the third post-program quarter in each quintile of the distribution of earnings of all Washington workers with covered wages, based on unemployment insurance wage records.

Customer Satisfaction

- a. **Individual satisfaction** as evidenced by the percentage of a sample of former participants who report satisfaction in response to a survey.
- b. **Employer satisfaction** as evidenced by the percentage of employers who report satisfaction with new employees who are recent program completers in response to a survey.

Return on Investment

The ratio of program participants' net increase in earnings and employer provided benefits compared to the public cost of the program, as measured by nonexperimental net impact, cost benefit evaluations.

State Core Indicators

State core indicators are a small subset of the common indicators that serve purposes in addition to informing continuous improvement in state level policies. Core indicators are important for motivating desired behavior by program administrators and staff and for unifying workforce development programs around common purposes. Like the rest of the common indicators, they are also important for providing consistent measures so that, for example "the percentage employed" means the same thing from one program to another.

The Workforce Board will use the state core indicators to measure results of statewide programs such as secondary career and technical education in the state, the results of local workforce development councils, and the results of individual providers such as particular colleges. These are the indicators, along with federal mandatory indicators, for which the Board will set numerical performance standards for statewide and area results. The Workforce Board will use performance against these standards to determine performance-based consequences: incentives, sanctions, or other intervention measures.

Employment or Further Education of Former Program Participants

- a. **Programs serving adults:** Percentage of former participants with employment recorded in unemployment insurance and other administrative records during the third quarter after leaving the program.
- b. **Programs serving youth:** Percentage of former participants with employment or further education as recorded in unemployment insurance, student, and other administrative records during the third quarter after leaving the program combined with evidence from survey responses of former participants.

Earnings of Former Program Participants

- a. **Programs serving adults:** Median annualized earnings of former participants with employment recorded in unemployment insurance wage records during the third quarter after leaving the program.

- b. **Programs serving youth:** Median annualized earnings of former participants with employment recorded in unemployment insurance wage records during the third quarter after leaving the program, measured only among the former participants not enrolled in further education during the quarter.

Educational Attainment of Program Participants

Percentage or number of program participants leaving the program that year who achieved appropriate skill gains or were awarded the relevant educational or skill credential based on administrative records.

Employer Satisfaction with Former Program Participants

Percentage of employers who report satisfaction with new employees who are program completers as evidenced by survey responses.

(Note: This indicator is to be measured at the state level and is not required as an indicator for local education institutions. The Workforce Board will not survey a sufficient sample of former participants to measure satisfaction with each school or college.)

Former Participant Satisfaction

Percentage of former participants who report satisfaction with the program as evidenced by survey responses.

(Note: This indicator is to be measured at the state and area level and is not required as an indicator for local education institutions.)

Federal Core Indicators and State Additional Indicators

The federal Carl Perkins Act and WIA specify certain mandatory indicators of program results. Mandatory federal core indicators are different for each program. States have the discretion to identify additional state indicators. The identification of additional state indicators enables the state to have some indicators of performance that are consistent across programs and allows states to focus on results they deem truly important and informative to policymakers and program administrators alike. The above state core indicators are additional state indicators for Washington when they do not duplicate federal indicators.

Expected Levels of Performance on Core Program Indicators

The Workforce Board has identified expected levels of performance on each of the state and federal core program indicators. The federal WIA and the Carl Perkins Act refer to these standards as “adjusted levels of performance.” These expected levels of performance are for secondary and postsecondary vocational education, WIA Title I-B, and WIA Title II-Adult Education and Family Literacy. In future modifications of the strategic and operational plans, additional programs of the workforce development system will be added to this process.

The Workforce Board collected and analyzed baseline data on performance for these programs for participants who completed or otherwise left their program between July 1, 1997, and June 30, 1998—program year (PY) 1998. The Board used this baseline data in order to set expected levels of performance for the future. The expected level of performance is not the same for each program. Programs serve different populations for different purposes. Programs that serve youth, for example, should not be expected to have the same performance as programs serving adults. Also, the expected increase is not the same for each indicator. Some areas of performance are more difficult to change than others. In some areas, programs are already performing at or near peak levels, so little if any improvement can be expected, while in other areas, substantial improvements can and should be made. The Workforce Board's performance targets for the future emphasize improving employer satisfaction, participant earnings, and educational attainment.

The following tables show the federal and state indicators for vocational education, WIA Title I-B, and Adult Education and Literacy. Included in the tables are the actual results for the first three years of the plan and the expected levels of performance for years four and five. The expected levels of performance take into account economic conditions and the demographic characteristics of program participants. The economic recession of recent years made it more challenging to achieve desired results, particularly for participant earnings and employment rates. Some of the targets, for later years of the plan have, therefore, been re-based to take into account the effects of the recession. Should the economic and demographic factors change in the future, the Workforce Board will negotiate revisions in the expected levels of performance with the U.S. Departments of Education and Labor.

State and Federal Core Indicators

S = State Core Indicator

F = Federal Core Indicator

	Performance			Targets	
	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
WIA Measures - Youth					
Educational Attainment (S) – Percentage of participants who obtained an appropriate credential.	46.5%	51.4%	67.6%	67.0%	69.0%
Credential Attainment (a) (F) – Among former participants, the percentage who attained a high school diploma or GED (younger youth). Measured for those not in high school at exit.	46.1%	64.9%	63.8%	52.0%	53.0%
Credential Attainment (b) (F) - Among former training participants, the percentage who completed education or training (older youth). Measured for only those who were employed.	46.4%	44.6%	52.7%	45.0%	46.0%
Younger Youth Skills (F) - Percentage of skill goals set for youth aged 14-18 that are attained within one year.	87.5%	70.6%	82.8%	73.0%	75.0%
Employment or Further Ed (a) (S) - Percentage of former participants who were employed, in the military, or enrolled in education or training during the third quarter after the program (all youth).	59.3%	79.8%	72.0%	68.0%	70.0%
Employment or Further Ed (b) (F) - Percentage of former participants who were employed, in the military, or enrolled in education or training during the third quarter after the program (younger youth).	57.6%	57.8%	63.8%	58.5%	59.0%

	Performance			Targets	
WIA Measures - Youth	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Entered Employment (OY) (F) - Percentage of older youth not employed at program registration who were employed during the first quarter after existing the program.	67.9%	69.2%	71.5%	70.0%	70.5%
Retention in Employment (OY) (F) - Percentage of older youth who entered employment during the first quarter after existing the program who were employed during the third post-program quarter.	78.0%	76.6%	79.6%	78.0%	78.0%
Annualized Earnings (S) (2003 Dollars) - Median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted for this indicators.)	\$7,557	\$7,237	\$9,231	\$8,881	\$9,325
Earnings Gain (OY) (F) - Difference between earnings in the second and third quarters after exit and the second and third quarters before registration for older youth.	\$3,186	\$2,850	\$2,625	\$2,850	\$2,900
Employer Satisfaction (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the state level. Not calculated separately for youth, adults, or dislocated workers.)	72.8%	N.A.	83.1%	N.A.	
Employer Satisfaction (F) - Employer satisfaction with services they directly received as evidenced by responses to survey questions after service completion. (Not calculated separately for youth, adults, or dislocated workers.)	67.6	68.1	67.8	68.0	69.0
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program.	94.6%	N.A.	94.1%	94.0%	94.0%
Participant Satisfaction (F) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program.	76.4	75.9	75.0	75.0	75.0

	Performance			Targets	
WIA Measures – Adults	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Educational Attainment (S) - Percentage of completers who obtained an appropriate credential.	39.7%	62.6%	62.4%	63.0%	65.0%
Credential Attainment (F) - Among former training participants, the percentage who became employed and completed training.	66.3%	66.0%	70.4%	68.0%	69.0%
Employment (S) - Percentage of former participants who were employed during the third quarter after leaving the program. (Only former participants, not enrolled in further education, were counted for this indicator.)	68.2%	66.1%	74.5%	74.0%	75.0%

	Performance			Targets	
WIA Measures - Adults	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Entered Employment (F) - Percentage of participants not employed at program registration who were employed during the first quarter after exiting the program.	72.1%	74.8%	80.7%	75.0%	75.5%
Retention in Employment (F) - Percentage of participants who entered employment during the first quarter after exiting the program who were employed during the third post-program quarter.	81.7%	79.4%	83.8%	81.0%	82.0%
Annualized Earnings (S) (2003 Dollars) - Median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted for this indicator.)	\$15,848	\$16,436	\$18,174	\$18,714	\$19,276
Earnings Gain (F) - Difference between earnings in the second and third quarters after exit and two quarters of preregistration earnings (based on average earnings in the four quarters before registration).	\$4,156	\$3,752	\$3,894	\$3,600	\$3,750
Employer Satisfaction (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the state level. Not calculated separately for youth, adults, or dislocated workers.)	72.8%	N.A.	83.1%	N.A.	
Employer Satisfaction (F) - Employer satisfaction with services they directly received as evidenced by responses to survey questions after service completion. (Not calculated separately for youth, adults, or dislocated workers.)	67.6	68.1	67.8	68.0	69.0
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program.	85.8%	N.A.	90.6%	90.0%	90.0%
Participant Satisfaction (F) - Participant satisfaction with services as evidenced by responses to survey questions. (Not calculated separately for youth, adults, or dislocated workers).	76.4	75.9	75.0	75.0	75.0

	Performance			Targets	
WIA Measures – Dislocated Workers	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Educational Attainment (S) - Percentage of completers who obtained an appropriate credential.	46.3%	71.8%	64.8%	70.0%	72.0%
Credential Attainment (F) - Among former training participants, the percentage who became employed and completed training.	71.5%	71.9%	67.5%	70.0%	71.0%

	Performance			Targets	
WIA Measures – Dislocated Workers	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Employment (S) - Percentage of former participants who were employed during the third quarter after leaving the program. (Only former participants, not enrolled in further education, were counted for this indicator.)	76.4%	78.3%	79.7%	80.0%	80.0%
Entered Employment (F) - Percentage of participants who were employed during the first quarter after exiting the program.	78.1%	81.8%	80.6%	78.5%	79.0%
Retention in Employment (F) - Percentage of participants who entered employment during the first quarter after exiting the program who were employed during the third post-program quarter.	90.1%	90.6%	91.1%	90.5%	91.0%
Annualized Earnings (S) (2003 Dollars) - Median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted for this indicator.)	\$24,574	\$26,180	\$26,470	\$28,361	\$29,212
Earnings Gain (F) - Ratio of earnings during the second and third quarters after exit divided by earnings in the second and third quarters before job dislocation.	91.2%	88.2%	83.2%	86.0%	86.0%
Employer Satisfaction (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the state level. Not calculated separately for youth, adults, or dislocated workers.)	72.8%	N.A.	83.1%	N.A.	
Employer Satisfaction (F) - Employer satisfaction with services they directly received as evidenced by responses to survey questions after service completion. (Not calculated separately for youth, adults, or dislocated workers.)	67.6	68.1	67.8	68.0	69.0
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program.	86.9%	N.A.	89.5%	89.0%	89.0%
Participant Satisfaction (F) - Participant satisfaction with services as evidenced by responses to survey questions. (Not calculated separately for youth, adults, or dislocated workers.)	76.4	75.9	75.0	75.0	75.0

	Performance			Targets	
	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Secondary Vocational Education Measures					
Educational Attainment (F, S) - Percentage of completers who obtained an appropriate credential.	92.8%	94.9%	92.0%	93.2%	93.2%
NonTraditional Education/Training (F) (a) - Percentage of students who participated in vocational career education programs that lead to nontraditional employment for their gender.	38.5%	42.0%	37.7%	37.8%	37.8%
NonTraditional Education/Training (F) (b) - Percentage of students who completed vocational career education programs that lead to nontraditional employment for their gender.	38.8%	38.8%	31.5%	33.1%	33.1%
Employment or Further Education (F, S) - Percentage of completers who were employed, in the military, or enrolled in further education or training during the third quarter after leaving.	73.4%	75.8%	74.4%	71.6%	72.1%
Earnings (2003 Dollars) (S) - Median annualized earnings of completers during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted for this indicator.)	\$10,613	\$10,613	\$10,424	\$10,529	\$10,634
Employer Satisfaction with Participants (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the State level.)	81.3%	N.A.	81.6%	N.A.	80.0%
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program. (Not required below the state level.)	97.0%	N.A.	95.7%	N.A.	95.0%

	Performance			Targets	
	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Postsecondary Vocational Education Measures					
Educational Attainment (S) – Number of participants prepared for the workforce.	18,973	20,889	22,319	20,300	22,600
Educational Attainment (F) - Percentage of participants prepared for the workforce.	57.3%	56.5%	56.5%	58.3%	58.5%
NonTraditional Education/Training (F) (a) - Percentage of students who participated in vocational career education programs that lead to nontraditional employment for their gender.	19.3%	20.1%	20.4%	19.3%	19.3%
NonTraditional Education/Training (F) (b) - Percentage of students who completed vocational career education programs that lead to nontraditional employment for their gender.	18.2%	18.6%	17.6%	18.6%	18.6%
Employment or Further Education (F, S)- Percentage of former participants who were employed, in the military, or enrolled in further education or training during the third quarter after leaving.	76.9%	76.9%	75.1%	72.4%	72.9%

Postsecondary Vocational Education Measures	Performance			Targets	
	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Employment Retention (F) - Percentage of participants who entered employment during the first quarter after exiting the program who were employed during the third post-program quarter.	76.1%	76.1%	73.7%	71.7%	72.2%
Earnings (S) (2003 Dollars) - Median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted for this indicator.)	\$22,894	\$22,466	\$21,525	\$21,740	\$21,958
Employer Satisfaction with Participants (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the state level.)	88.1%	N.A.	91.1%	N.A.	90.0%
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program. (Not required below the state level.)	91.8%	N.A.	87.2%	N.A.	91.0%

Adult Basic Education Measures	Performance			Targets	
	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)
Educational Attainment (F) - Percentage of participants who obtained an appropriate credential.	N.A.	41.0%	N.A.		
Literacy Gains (F) - Percentage of adults who demonstrated improvements in literacy skill levels.	N.A.	42.0%	N.A.		
Employment or Further Education (S) - Percentage of former participants who were employed, in the military, or enrolled in further education or training during the third quarter after leaving.	N.A.	44.0%	N.A.		
Annualized Earnings (S) (2003 Dollars) - Median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education were counted in this indicator.)	\$15,804	N.A.	\$15,104		
Employer Satisfaction with Participants (S) - Percentage of employers who reported satisfaction with new employees who were program completers as evidenced by survey responses to the biennial survey conducted by the Workforce Board. (Not required below the state level.)	77.2%	N.A.	87.5%		
Participant Satisfaction (S) - Percentage of former participants who reported satisfaction with the program as evidenced by survey responses six to nine months after leaving the program. (Not required below the state level.)	87.0%	N.A.	85.3%		

Local Area Performance

Strategic and Operational Performance Indicators

Local workforce development councils will use performance indicators for strategic planning for the area's workforce development system as a whole and operationally in their role as overseers of WorkSource and WIA Title I-B.

For strategic planning purposes, the Workforce Board provides local councils with performance of area programs on the common and core indicators discussed in this chapter. These performance results should inform councils of program strengths and opportunities for improvement. The results will also be available to participants and stakeholders in the system. Local strategic plans will contain strategies to effect these improvements.

Under WIA, local councils are directly responsible for the performance of WorkSource operators and WIA Title I-B. The most critical indicators of performance will be the state and federal core indicators identified in this chapter.

Expected Levels of Performance on Core Program Indicators

Each workforce development area has expected levels of performance on each of the state and federal core indicators for WIA Title I-B. The expected levels of performance depend in part on local economic and other conditions and the demographic characteristics of participants served. In order to adjust expected local levels of performance for such factors, the Workforce Board applies multiple regression models. The local council and Chief Local Elected Official(s) may request to negotiate performance targets with the state Workforce Board and introduce data not considered by the models.

WorkSource Performance

WorkSource Participant Population

Local councils also use performance information in overseeing the area Work-Source system. WorkSource participants include individuals and employers who receive services through a WorkSource Center or an affiliate site providing services funded under WIA Title I, WIA Title III (Wagner-Peyser), or the state's WorkFirst program's employment-related services. Participants in other programs are counted for a particular service when the program dedicates resources for that service to WorkSource. Together, these populations are considered the WorkSource participant population for purposes of accountability.

WorkSource Performance Measures

For registered participants, the Workforce Board supplies each local council with the results on all of the state and federal core indicators listed for WIA Title I.

The Workforce Board uses additional indicators to measure performance of WorkSource in serving all participants, not just participants who register. The following are these indicators:

- Percentage of employers using WorkSource services
- Percentage of total workers using WorkSource services
- Customer perception of seamlessness
- Staff perception of seamlessness
- Number of students who are WorkSource participants

“Consumer Report System”

The Workforce Board operates a “consumer report system” of training provider results, as well as course descriptions and other key information for potential students (www.jobtrainingresults.org). The consumer report system presents information on individual programs of study at individual institutions. For example, the network administrator program at college X. Information includes student characteristics, employment and earnings of former students, and where to learn more about the college and the program.

The consumer report system also includes the state Eligible Training Provider List (ETPL) www.wtb.wa.gov/etp. This is the list of training programs that are eligible to train students funded by WIA Individual Training Accounts or dislocated workers receiving extended unemployment insurance benefits under the state’s Training Benefits Program. To be on the list, a training program must satisfy the Workforce Board’s performance criteria. Each year, the Workforce Board establishes minimum standards that programs must meet for completion rates, employment rates, and earnings of former students. The ETPL identifies the training programs that meet the standards.

Performance Based Consequences

System Level

WIA authorizes incentive funding for states that exceed the “adjusted levels of performance” in WIA Title I-B, adult education and family literacy, and career and technical education. The amount available to a state has been in the range of \$750,000 to \$3 million. A state that achieves 100 percent on the average for all the federal core indicators for each program is considered to have exceeded the “adjusted levels of performance,” so long as performance does not fall below 80 percent on any indicator.

When Washington State receives such an incentive award, the state allocates the funds to local areas that exceeded their expected level of performance in these programs, including performance on the state core indicators as well as on the federal core indicators. The Workforce Board identifies the size of the award for each year, and ESD allocates the funds. The funds must be used for system building activities, not activities that pertain only to a particular program, i.e., WIA Title I-B, Adult Education and Family Literacy, or Vocational Education.

Program Level

For WIA Title I-B, the state earmarks a portion of the state set aside to reward local areas that exceed 100 percent of the average of the expected levels of performance for the state and federal core indicators. ESD allocates these funds to local areas.

If the state fails to meet the “adjusted levels of performance” on the federal core indicators for WIA Title I-B for two consecutive years, the Department of Labor (DOL) can withhold up to five percent of the state’s WIA Title I-B funds. DOL considers states to have failed to meet the levels if performance falls below 80 percent of the target.

If a local area fails to achieve 80 percent average performance across the state and federal core indicators for WIA Title I-B, ESD will require the local council to submit either a performance improvement plan or a modified local plan to the state. If such failure continues for a second consecutive year, the Governor may require the development of a reorganization plan. If the state is sanctioned by DOL for poor performance, ESD will withhold a proportional amount of funds from local areas based on their average performance across the state and federal core indicators.

To be eligible to receive funding under WIA Title I-B, all training providers must meet the performance standards established by the Workforce Board and local workforce development councils. If a training provider fails to meet the standards for any one year, the provider will not be an eligible provider of WIA Title I-B funded training for the year beginning the first quarter after the substandard performance is reported.

Under the Carl Perkins Act, if the state fails to meet the “adjusted levels of performance” the “state eligible agency”, which is the Workforce Board, must develop and implement a program improvement plan in consultation with the Office of Superintendent of Public Instruction (OSPI), the State Board for Community and Technical Colleges (SBCTC), and other partners. If the state fails to meet the levels of performance for a second consecutive year, the U.S. Department of Education (DOE) may withhold all or a portion of Carl Perkins Act funds from the state.

If the state is sanctioned by DOE for poor performance, the Workforce Board will reduce the allocation of funds to the secondary and/or postsecondary systems proportional to the sanction and to the extent that the secondary and/or postsecondary systems contributed to the poor results.

If a college or school district is not making substantial progress in achieving the expected levels of performance, SBCTC or OSPI, on behalf of the Workforce Board, will assess what is needed to overcome the performance deficiencies, approve a local improvement plan, and conduct regular evaluations of progress.

If the Workforce Board allocation of the Carl Perkins Act funds to its secondary or postsecondary system is reduced due to federal sanctions, OSPI and SBCTC will determine the resulting impact on school districts and colleges, respectively, and allocate the funds accordingly.

The SBCTC/Office of Adult Literacy has identified similar performance based interventions for Adult and Family Literacy applications.

Measuring and Reporting Results

Data Collection

The Workforce Board provides information on the results of secondary and postsecondary career and technical education, WIA Title I-B, work related adult education and family literacy and

other workforce development programs, and the WorkSource One-Stop system to the appropriate federal agencies, state policymakers, and local workforce development councils. To accomplish this, the Workforce Board ensures that participant data from each of these programs and from WorkSource are collected and matched with administrative records for the purpose of measuring the common and core indicators. The Board also conducts participant and employer surveys for these programs and for WorkSource and provides area level breakdowns of the results.

The specific data source(s) for participant records for each program is identified in the program's operating plan.

For WorkSource participants, the Services, Knowledge and Information Exchange System (SKIES) collects and maintains data. The following figure shows the data elements, at a minimum, that are to be collected and recorded for all WorkSource participants who request services other than self-service or information only services.

**Common Data Elements that Will be Collected
at Intake on Program Participants**

- | | | |
|-----------------------|---------------|------------------------|
| 1. Date | 2. First Name | 3. Last Name |
| 4. Phone/FAX/E-Mail | 5. Address | 6. Social Security # |
| 7. Services Requested | 8. Gender M/F | 9. Limited English Y/N |
| 10. Date of Birth | | |
11. Disability Status—Do you have a physical or mental impairment that:
- a. Limits the kind or amount of work you can do at a job? Y/N
 - b. Prevents you from working at a job? Y/N
12. What is your highest grade completed?
- 0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22+
13. What is the highest level of certification or degree you have achieved?
- High school diploma
 - GED
 - Some schooling after high school but no degree or certificate
 - Vocational certificate/diploma
 - Two-year Associates Vocational Degree
 - Two-year Associates Academic degree
 - Bachelors degree
 - Graduate degree
 - Other
14. With which racial group do you most closely identify? For selection of specific choices, use current U.S. Census elements.
15. Intake Location
16. Currently Employed? Y/N
17. U.S. Veteran: Y/N

18. Displaced Homemaker: Y/N
19. Out-of-School Youth: Y/N
20. Family Size
21. Receive Public Cash Assistance: Y/N

The Workforce Board, in partnership with SBCTC, ESD, and OSPI have formed the Participant Outcomes Data Consortium (PODC) to oversee the matching of participant records with administrative records, including unemployment insurance wage records and college and university student enrollment records. Washington uses this data matching process for measuring the performance indicators that are based on administrative record matches. Using the PODC matching system ensures that common methodological protocols are used in calculating the results of workforce development programs.

For survey based research, the Workforce Board and its partner agencies have identified a pool of common survey questions. There are two pools of questions: one for individual participants and one for employers. The questions form the content of the Workforce Board's survey research. The questions also are a pool from which other workforce development programs and agencies may draw when surveying individuals or employers about their program experience or outcomes. The use of the common questions helps to ensure consistency in survey based research throughout the system.

Training providers that want to offer training funded through Individual Training Accounts authorized under WIA Title I-B are required to submit cost and participant data to the Workforce Board. The Board uses the PODC system to match the participant records against other administrative records in order to measure provider performance. Provider performance is calculated for each field of study that the provider wants to be eligible for Title I-B funding. The Workforce Board uses this data in establishing the required levels of provider performance, discussed earlier in this chapter, for providers to be placed on the list of eligible providers for WIA Title I-B funded training.

Quarterly Results

Quarterly results on the state and federal core performance indicators that are based on administrative records are available for WIA Title I-B. The Workforce Board reports these results to local councils and to DOL.

Annual Results

The Workforce Board prepares the annual performance reports required under WIA Title I and the Carl Perkins Act to DOL and DOE, respectively. These reports contain the annual results on the state and federal core performance indicators and other measures required under the federal acts.

Biennial Results

The Workforce Board publishes *Workforce Training Results* every two years. This report contains the program results on the common indicators for which data is available for all the major workforce development programs. The Board presents this report to the Governor and Legislature. The purpose of the report is to inform improvement in state level policy.

Net-Impact and Cost-Benefit Results

The Workforce Board conducts a net impact and cost benefit evaluation of workforce development programs every four years. The Board reports the results to the Governor and Legislature. The purpose of the net impact and cost benefit report is to also inform improvement in state level policy.

Continuous Quality Improvement

In 1997, Governor Locke issued Executive Order 97-03 on Quality Improvement. This Order directs:

- Each agency shall develop and implement a program to improve the quality, efficiency, and effectiveness of the public services it provides through quality improvement, business process redesign, employee involvement, and other quality improvement techniques.
- Each agency shall evaluate the results of its quality, service, and management improvement programs including, but not limited to, leadership, information and analysis, strategic planning, human resource development and management, process improvement, business results, and customer focus and satisfaction.

Consistent with the Governor's Executive Order and WIA's call for continuous quality improvement, the WorkSource system has widely implemented quality principles. In order to be initially certified during 1999, the state required each WorkSource Center and Affiliate Site to complete a self assessment based upon the quality categories of the Malcolm Baldrige Criteria for Performance Excellence.

The initial self assessment can serve as a baseline from which local areas can set goals for annual improvement. In addition to the self assessment, WorkSource operators were required to sign a statement that confirms a commitment to continuous quality improvement and focus on priority areas of need.

Such quality efforts are expected to continue in the future. Under WIA, each local area must provide in its local WIA Title I-B plan, "a description of how the local board will ensure the continuous improvement of eligible providers of services through the system (the one-stop delivery system) and ensure that such providers meet the employment needs of local employers and participants."

In order to meet this requirement, local councils are encouraged to continue to conduct annual self assessments using a tool that uses the Malcolm Baldrige Quality Criteria. The self assessment process should involve all partner programs staff involved in WorkSource Centers. Measurements of the business results should include the state and federal core indicators for WIA Title I.

A critical part of quality improvement is customer focus. WorkSource Centers and Affiliates should measure customer satisfaction during the time of service and at the time of exit from service. This information should be used to improve the day-to-day operation of WorkSource.

Key Measures

The next chapter of the plan sets forth the key goals, objectives, and strategies for the workforce development system in Washington State. Also identified are the key measures of progress in implementing the plan. The Workforce Board annually tracks the measures to see the workforce system's progress and hold ourselves and other state agencies accountable for making this plan work.

Summary of Feedback on Draft High Skills, High Wages 2004: Our Agenda for Action (Chapter Five)

Overview:

This Summary of Feedback compiles the major comments and suggestions for changes supplied by stakeholders on the draft of "Our Agenda for Action." These were responses from individuals on the Workforce Training and Education Coordinating Board's (Workforce Board) newsletter list (over 3,500 people) provided during April, members of the Interagency Committee (IC), and comments made at the public forums held in Seattle on April 27 and Spokane on April 29.

Note: Initial feedback received from the Workforce Board Newsletter List (February-March), IC meeting (March 5), and the Board meeting (March 25), have already been incorporated into the plan.

Positive Comments:

Numerous comments were received via email and at the public forums expressing support for the comprehensive nature of the plan, supporting the content of the plan, and affirming that the plan does not just "sit on the shelf" but serves as a catalyst for improvements in the state workforce development system. One career and technical educator from the community and technical colleges system asked the Workforce Board to be a more visible advocate for workforce issues.

Suggestions for Changes:

Migrant Seasonal Farm Workers

Gilberto Alaniz of the Occupational Industrialization Center (serves migrant farm workers) said the plan should include more focus on migrant farm workers to address the needs of migrant farm workers.

Rationale: Farm workers experience a variety of barriers, which mean they should be treated as a special target population. They are low-income, they often have low literacy skills, and they are often people of color. In addition, recent proposals from the Administration could mean funding cuts for migrant and seasonal farm worker programs.

Mature Workers and Retired Individuals

Hank Hibbard, Department of Social and Health Services (DSHS) Senior Community Service Employment Program, Lori Mina and Joan Ilzelak, City of Seattle Human Services Department (Title V Program) said the plan should have a greater focus and provide greater detail about the needs of mature workers and retired individuals who may want to return to work. Lori suggested that mature workers could be a target population, or a complementary facet to the focus on youth in the plan. The plan could include strategies that incentivize employers to provide more part-time opportunities for mature workers. One-Stops are making progress in integrating senior programs but she would like a systemwide approach.

Rationale: The Workforce Board's analysis shows the population is aging, and the working age population is shrinking. There is only one strategy and a few paragraphs on mature workers even though in the future we will need more mature workers to stay at work or return to work.

Current programs serving seniors are changing. The Department of Labor is changing the emphasis of the Senior Community Service Employment Program from a subsidized employment program to an employment placement program. Seniors looking for work usually really need income. Mature workers maybe low-income, and they may be dislocated, and they may be disabled (comment of Patti Stoneman-Lowe of the DSHS/Division of Vocational Rehabilitation). They may have a variety of barriers that they need help overcoming.

Access to Technology at WorkSource Centers for Individuals with Disabilities

Debbie Cook, Department of Services for the Blind (DSB), suggests the text box on ACCESS to technology for individuals with disabilities using WorkSource services should be converted into a strategy.

Rationale: Procurement of technology at WorkSource Centers occurs as technology advances. We need to ensure technology procurement includes analysis of technology that accommodates people with disabilities. If not, the Centers will end up paying more money to add, change, and discard technology.

Incentives for Employers to Provide Customized Training

Paulette Degard and Ann Avery, Industry Cluster Institute, would like to see more financial incentive for employers to provide customized training. Donna Miller of Shoreline Community College is interested in the idea of providing incentives to employers to support customized training for basic skills and English as a Second Language (ESL) as this is one area where they do not commonly provide training.

Rationale: The state lags behind other states in publicly supported customized worker training. There are constitutional limitations on how the public can support private business, but the Governor has proposed training-related tax credits in the past.

Adult Basic Skills/WorkFirst Collaboration Needed

Donna Miller, Basic Skills Educator at Shoreline Community College, believes linking basic skills and occupational skills training is a very important strategy. The various entities involved in basic skills and WorkFirst need assistance and a clear directive to collaborate in order to make this happen. Carolyn Bledsoe, King County Jobs Initiative, believes it is important to create processes to learn from and work with those programs that have achieved success in providing employment and training to low-income adults. Workforce development programs that train, employ and retain low-income adults into jobs for a minimum of one year have proven to be helpful when grounded in community based initiatives.

Rationale: There are a variety of agencies involved in WorkFirst, basic skills and ESL education. The environment can be complex and create communication barriers that stifle improvements. While these programs may not be recipients of Workforce Investment Act (WIA) funds, their coordination with community and technical colleges, DSHS, the Employment Security Department, federal, state, and local governments, and community-based and human service organizations provide a comprehensive approach to addressing barriers that often prevent low-income clients from achieving success in employment.

Advocate for Vocational Training Hours for WorkFirst Participants

Tom O'Brien, Director, Eastern Washington Partnership Workforce Development Council (WDC) would like the Workforce Board to advocate for vocational training hours for WorkFirst participants to be considered as credited hours toward their required work participation hours.

Rationale: Research has shown that single parents working 30-40 hours per week will not participate in additional training due to problems with having suitable childcare, transportation issues, and having classes available at a time when they can take them.

Focus on Strategies that Improve Retention

Paula Norby, Workforce Dean at Tacoma Community College, believes the plan should emphasize retention strategies for adult basic skills participants and career and technical education students. Retention services need to be offered in two areas: Financial services for childcare, transportation, tuition, and books as well as academic services for tutoring and certification preparation. Students in adult basic skills/ESL programs need assistance in developing a healthy family support system while attending training programs.

Rationale: Adults basic skills/ESL and career and technical students need assistance with removing barriers that impact retention. Without a support system, the demands of balancing school, work and family can be overwhelming.

More Worker Retraining Support Needed

Susan Nelson, North Seattle Community College, noted that more funds are needed to support FTEs and financial aid for Worker Retraining students. Janice Green, owner of the private career school, Productivity Point, would like to see more funds to support the Worker Retraining program, and a removal of caps on the use and time for Individual Training Accounts (ITAs) (these are locally imposed restrictions).

Rationale: The FTE funding and financial aid for Worker Retraining students who enrolled prior to the High Demand allotments of 2003 has remained the same. With tuition hikes it is more expensive for the student to stay in the program, and it is more expensive for the college to provide the program. The previous financial aid support buys only half of what it bought two years ago. There is great demand for ITAs and Worker Retraining.

More Distance Learning Needed

Tom O'Brien said he would like to see a strategy that is focused on increasing distance learning opportunities.

Rationale: Distance learning is very important for many areas of our state. It may be the only way that some people, particularly those that are low-income, can get access to postsecondary training.

Advocate for Secondary Career and Technical Education

Terri Colbert, State Board for Community and Technical Colleges (SBCTC) and Sharon McGavick, Clover Park Technical College, said more support is needed to provide opportunities for high school students to participate in technical programs.

Rationale: Many high schools have eliminated technical programs because of the cost. This leaves students with a technical goal no place to go. Clover Park's new Technical High School on campus is one strategy that is working for many students.

Improving Services to Business Customers

Susan Nelson would like to see more strategies under Objective 4.1 that calls for WorkSource to respond to the needs of business customers. Dan Ruddell, Spokane Community Colleges also believes that broader and more intensive outreach to business is important, and real incentives are needed to bring business to the table.

Rationale: Improving services to business customers is key for an effective workforce development system. Business and industry (all sectors of job providers) are needed at the table to design training and education strategies and initiatives, to hire trainees, provide work-based learning opportunities, and advise on curricula.

Increase Focus on Emerging Apprenticeships

Karen Carter of the Department of Labor and Industries' Apprenticeship program and Tom O'Brien would like to see more attention and funds for emerging apprenticeships.

Rationale: Apprenticeships are an "earn while you learn" model. Health care apprenticeships that have been developed recently prove that this model can work outside the traditional apprenticeship models. These are programs with good earnings outcomes and should be expanded. Mr. O'Brien: This fits well and should be particularly encouraged in rural areas.

Emphasize, Analyze the Effects of the Global Economy

The WDC Directors requested that the plan should identify the industries and occupations that are likely to remain and grow in Washington and which industries and occupations are more likely to offshore their jobs. It would also be helpful to identify the characteristics that make an industry more likely to offshore jobs. Additional state and local discussion to identify strategies to prevent offshoring when possible. When prevention is not possible, we should be able to predict offshoring risks and develop contingency plans in advance.

Rationale: This information would be valuable to all WDCs as they consider which industries and occupations are most likely to contribute to lasting employment in our communities.

Job Creation Strategies

The WDC Directors suggested that we need strategies to translate economic recovery into good jobs for Washington, such as taxpayer-funded business services focused on activities to create or save jobs, or focused on activities that increase competitiveness. They suggest that the plan should include a comprehensive discussion of how economic development strategies and workforce development strategies can interrelate to create a more attractive business environment while also creating good jobs for Washington residents.

Rationale: Economic recovery appears to be a jobless recovery.

Supporting Employability Assessments

Dan Ruddell expressed concern that the National Institute for Literacy's Workplace Readiness Credential may be duplicative of the WorkKeys assessment.

Rationale: The Spokane Community College's pilot program called the Targeted Wage Initiative has used the WorkKeys preplacement employability assessment with great success. Their program has increased a job placement rate from 33 percent to 60 percent in just 12 weeks. They are conducting a second pilot program to track job retention.

Emphasize State and Local Communication in K-12

John Baumhofer, Spokane WDC Director, and Bill Davis, Spokane WDC Chair, said that we need better communication between the state and local districts in K-12. Tom O'Brien believes the WDC/Youth Councils' role in helping to facilitate career planning is unrealistic, at least for their area where there are 53 schools.

Rationale: We see some very good initiatives at the state level but they do not translate to the local districts.

Mr. O'Brien says they incorporate career planning into programs for the 350 youth that are served through the WIA but there are thousands of others students they are not able to affect.

Increasing the Capacity of Postsecondary Community and Technical College Programs

Robert Gutierrez, Spokane Community Colleges, says we need both high demand enrollments and regular enrollments.

Rationale: We have greater demand than we can meet. The additional high demand funds have been good, but they are not enough. In Spokane Community Colleges, 70 percent of courses are vocational, and these are more expensive to operate – so general fund cuts hit twice as hard.

Improving Efficiency of Student Transitions and Grant Credit for Prior Learning

Spokane Community Colleges representatives, Tom O'Brien, and a private citizen/ex-educator Joanne McCann, said this is a very important strategy. They maintain that Eastern Washington University has not been honoring current articulation agreements when some programs are over-enrolled.

Rationale: This is extremely important for all students but in particular for older students who cannot afford the time to retake classes they have already passed.

Decreases in UI Benefits

Dave Cunningham, Lake Washington Technical College, said the plan should address the “gutting” of the state’s UI benefits.

Rationale: We had one of the best UI deals for laid off workers in the country but thanks to the Boeing deal, it was gutted. The resulting short fall of support money for laid off workers and their families has become a major impediment to their retraining.

Supporting WorkSource Delivery

Tom O’Brien mentioned the strategy to find resources to support the WorkSource delivery system is increasingly important.

Rationale: WIA is clear about the intent to provide universal access for all people. Services need to be expanded to people with disabilities and WorkFirst participants. At the same time the Administration has proposed a block grant. WIA service providers are struggling to maintain the level of core services and increase training in the face of level or decreased funding for the programs.

Identifying Priorities

The WDC Directors requested that the plan identify priorities.

Rationale: The plan would have more impact if it identified just two or three top priorities that have strong support from all partners.

Priorities Tally

A number of people provided us with their priority objectives and strategies. Below is a tally of those with the highest scores.

Objective 1.1 = 7

Create private-public partnerships to enable individuals to move up job and career ladders throughout their lives.

Strategy 1.1.1: = 5

Create and enhance industry skill panels especially in high demand economic clusters such as health care and information technology.

Strategy 1.1.3: = 5

Develop competency-based education and training programs, and modular curricula and assessments that are linked to industry skill standards.

Objective 1.2 = 13

Increase the number of young people who understand and act on career opportunities available through career and technical education and training programs, including youth from target populations.

Strategy 1.2.1 = 10

Develop individual career plans that are integrated with a range of school programs to ensure all youth are aware of the link between learning and employment, and their career options including high-wage, high-demand occupations, and nontraditional occupations.

Strategy 1.2.2 = 5

Expand partnerships with industries to market their career opportunities to youth and their parents.

Strategy 1.2.3 = 6

Increase mentor and work-based learning opportunities for all youth, and integrate these opportunities with students' individual career plans.

Objective 1.3 = 16

Increase the capacity of high schools, community and technical colleges, and apprenticeship programs to provide high quality workforce education and training programs.

Strategy 1.3.1 = 8

Develop new programs and increase student enrollments in workforce training especially in high-demand industry clusters such as health care and information technology.

Strategy 1.3.2 = 6

Partner with industries to provide facilities, faculty, and equipment in high-wage, high-demand fields.

1.3.3 = 8

Improve efficiency of student transitions by granting credit for prior learning, developing further statewide agreements for transfer and articulation, and increasing the availability of applied degrees.

Strategy 1.3.4 = 9

Expand apprenticeship training in emerging fields and expand preparation programs for apprenticeship in high demand clusters, including construction.

Strategy 1.3.5 = 5

Create "employability skills" education and training programs or build this component into currently existing programs.

Strategy 1.3.7 = 4

Highlight and replicate best practices from around the state and nation in career and technical education.

Objective 2.1 = 8

Expand customized incumbent worker training in order to increase economic competitiveness, and prevent dislocation.

Strategy 2.1.1 = 6

Increase publicly supported customized incumbent worker training, and provide incentives to both employers and employees of this type of training.

Objective 2.2 = 6

Enhance business expansion and retention strategies.

Objective 3.2 = 5

Assist unemployed individuals to gain and retain employment, and assist low-income individuals to achieve wage progression.

Strategy 3.2.1 = 4

Reduce dropout and increase high school graduation.

Strategy 3.2.2 = 5

Expand programs with demonstrated success in enabling low-income individuals to achieve wage progression such as customized training, apprenticeship preparation and apprenticeship programs, and other training opportunities.

Strategy 3.2.3 = 4

Expand access to support services, such as childcare, especially for target populations.

Strategy 3.2.6 = 4

Create and offer financial incentives to employers and low-income workers to increase training.

Strategy 3.2.7 = 4

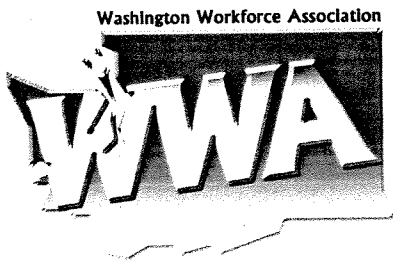
Create financial aid programs that assist working adults, ESL, and adult basic skills students to take advantage of education and training opportunities.

Objective 4.2 = 5

Make workforce development services from multiple providers a straightforward and effective experience for job seekers and youth.

Strategy 4.2.6 = 4

Find financial resources to sustain the WorkSource delivery system infrastructure.



EXECUTIVE OFFICE

MAY 03 2004

**WORKFORCE TRAINING AND
EDUCATION COORDINATING BOARD**

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Olympic Workforce
Development Council

Pacific Mountain Workforce
Development Council

Northwest Workforce
Development Council

Snohomish County Workforce
Development Council

Workforce Development
Council of Seattle-King County

Tacoma-Pierce County
Workforce Development
Council

Southwest Washington
Workforce Development
Council

North Central Washington
Workforce Development
Council

Tri-County Workforce Council

Eastern Washington
Partnership Workforce
Development Council

Benton-Franklin Workforce
Development Council

Spokane Area Workforce
Development Council

April 29, 2004

**Ms. Ellen O'Brien Saunders, Executive Director
Washington State Workforce Training and Education Coordinating Board
128 10th Avenue SW
P.O. Box 43105
Olympia, WA 98504-3105**

Dear Ms. O'Brien Saunders:

Thank you for seeking the input of the Workforce Development Councils (WDCs) regarding the State Strategic Plan. After discussing your request together, we decided to reply in unison through our statewide association, the Washington Workforce Association (WWA). The WWA Communications Committee considered the materials you provided and discussed draft recommendations with the WDC Directors throughout Washington. On behalf all the WDCs statewide, WWA offers the following recommendations.

1. Overall, the plan is comprehensive and well thought out. We greatly appreciate the hard work the Workforce Training and Education Coordinating Board (WTECB) has put into this effort. We are confident that Washington will continue to be regarded as one of the cutting-edge states regarding workforce development. Our common customers—Washington's employers, workers, and job seekers—are well served by forward-thinking leadership throughout the workforce system.
2. The global economy, and offshoring in particular, should be addressed more directly in the State Plan. The WTECB has an outstanding research staff, who could add great value to the local system by identifying the industries and occupations that are likely to remain and grow in Washington, and which industries and occupations are more likely to offshore their jobs. It would also be helpful to identify the characteristics that make an industry more likely to offshore jobs. This information would be valuable to all WDCs as we consider which industries and occupations are most likely to contribute to lasting employment in our communities.
3. This research should be supplemented by additional state and local discussion to identify strategies to prevent offshoring when

possible. When prevention is not possible, we should be able to predict offshoring risks and develop contingency plans in advance. We would appreciate the WTECB leading this discussion at the state level, in coordination with WDC leadership at the local level.

4. The "economic recovery" continues to be "jobless." We need state leadership to convene local and state experts, so that we can work together on an effective response to this critical—and apparently lasting—issue. What strategies can we take to translate economic recovery into good jobs for Washingtonians? Should taxpayer-funded business services focus primarily on those activities that are likely to create or save jobs, or should we focus on activities that help our businesses be more competitive, regardless of whether this results in job creation? Is there a way to prioritize projects that do both, ie, increase business productivity and directly create new jobs or prevent job loss? These are difficult questions that we have not directly addressed. Therefore, we recommend a comprehensive discussion of how economic development strategies and workforce development strategies can interrelate to create a more attractive business environment while also creating good jobs for Washington residents.

5. The State Plan includes a very comprehensive list of worthwhile strategies. It would be a more effective agent for change, however, if it identified just two or three top priorities that have strong support from all partners in the system. Then we could concentrate on those actionable items and have more immediate impact.

Thank you again for seeking this input. For further information, please contact WWA. We look forward to continuing our work with you to develop an excellent State Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Frazier", written in a cursive style.

Steve Frazier, Chairman
Washington Workforce Association

DRAFT DISCUSSION OF PRIORITY OBJECTIVES AND STRATEGIES

The following discussion will be added to *High Skills, High Wages 2004* in the *Executive Summary* and at the beginning of Chapter Five: *Our Agenda for Action*.

Priorities for the Next Two Years

High Skills, High Wages 2004: Our Agenda for Action is a comprehensive plan of 4 goals, 13 objectives, and 38 strategies that includes lead entities responsible for implementation. While all the goals, objectives, and strategies are important and responsible entities are committed to implementing *all* the strategies during the next two years and beyond, a shorter list of priorities provides a focus for areas that need immediate attention:

- **Increasing postsecondary education and training capacity** is key to ensuring we close the gap between the need of employers for skilled workers and the supply of Washington residents prepared to meet that need. Even during a recession, 45 percent of employers who reported hiring workers in 2003 said they had difficulty finding qualified applicants. We must target our resources to expand capacity in programs that prepare individuals for the jobs that are in highest demand, and at the same time ensure that all individuals, including target populations, have access to a broad range of education and training, and retraining opportunities throughout their lifetimes.
- **Stepping up dropout prevention/retrieval and integrating career guidance into high school** are necessary for ensuring our teenagers are prepared for successful lives after high school. About one third of Washington students drop out of high school between years nine and twelve. We must build on the success of community partnerships that implement effective dropout/retrieval programs, and hold our schools accountable for engaging and retaining students through graduation. While schools are meeting the challenge of education reform, they need to ensure their students have access to comprehensive career guidance for a wide range of career exploration and preparation opportunities, including strong career and technical education, and work-based learning.
- **Expanding and sustaining skill panels** is essential for enhancing Washington's economic vitality. Industry skill panels harness the expertise of their members: employers, educators, labor, and local entities; they identify skills gaps in key economic clusters; and they address those needs. Such partnerships foster innovation and give industries and public partners the opportunity to be proactive instead of reactive – addressing changing workforce development needs quickly and competently.
- **Providing more training opportunities and support for low-income individuals** is the best way to support career advancement and wage progression. With the growth of our workforce slowing and the increasing diversity of our population it is essential that we develop career pathways that enable low-income workers to advance, meeting the needs of employers for skilled workers, and contributing to our economy. With the demands of work and family, attending school can be nearly impossible for low-income workers. Individualized supports such as childcare, transportation, counseling, and remediation assistance are often necessary to ensure individuals feel able to start a program, and have the support to complete it. Better career guidance can enable adults to develop education and training plans leading to job and wage growth.

- **Increasing basic skills and English-as-a-Second Language instruction that is integrated with occupational skills training** is more likely to lead to higher wages for participants than programs that do not include an occupational component. Without education and training opportunities our illiterate population, our immigrants, our low-income workers, and our unemployed can be stuck in dead ends. When combined with “soft skills” training that improves skills such as cultural awareness, teamwork, and critical thinking, these programs can be even more effective.
- **Expanding customized training for incumbent workers** is an effective way of supporting our businesses to be more competitive. In today’s economic context, there is an increasing need to train and retrain incumbent workers to keep pace with technological advances and the increasing use of high performance practices. Customized training can also prevent worker dislocations. Many employers already support some types of customized training for their employees investing about two percent of payroll on employee training, though few support basic skills training. While state funds support some customized training programs, we still lag far behind other states in publicly supported customized training.

TAB 7

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

**CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT
PROGRAM YEAR 2004 FEDERAL FUNDS DISTRIBUTION**

Background:

At the March 25, 2004, meeting the Board received information on the Carl D. Perkins Vocational and Technical Education Act including background material and anticipated funding for the period July 1, 2004 through June 30, 2005. We have now received the final appropriation amount for Washington State from the U.S. Department of Education. The state will receive \$24,678,500 in Perkins funding, representing about a 2% increase from the prior year. As a result of this final appropriation amount, the federal funding flow chart, proposed distribution of federal funds for PY 2004, and the Summary of Explanatory Information have all been updated and are included here. Also included again is the Advance Planning Schedule for anticipated work on future planning efforts for the Carl Perkins Act.

Board Action Requested: Adoption of the recommended motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Training and Education Coordinating Board is designated as the state board for vocational education [RCW 28C.18] to be the eligible agency to receive and distribute federal funding; and

WHEREAS, The Workforce Training and Education Coordinating Board intends to make federal funds available to state agencies and, where appropriate, their sub-recipients for use during the period beginning July 1, 2004, through June 30, 2005; and

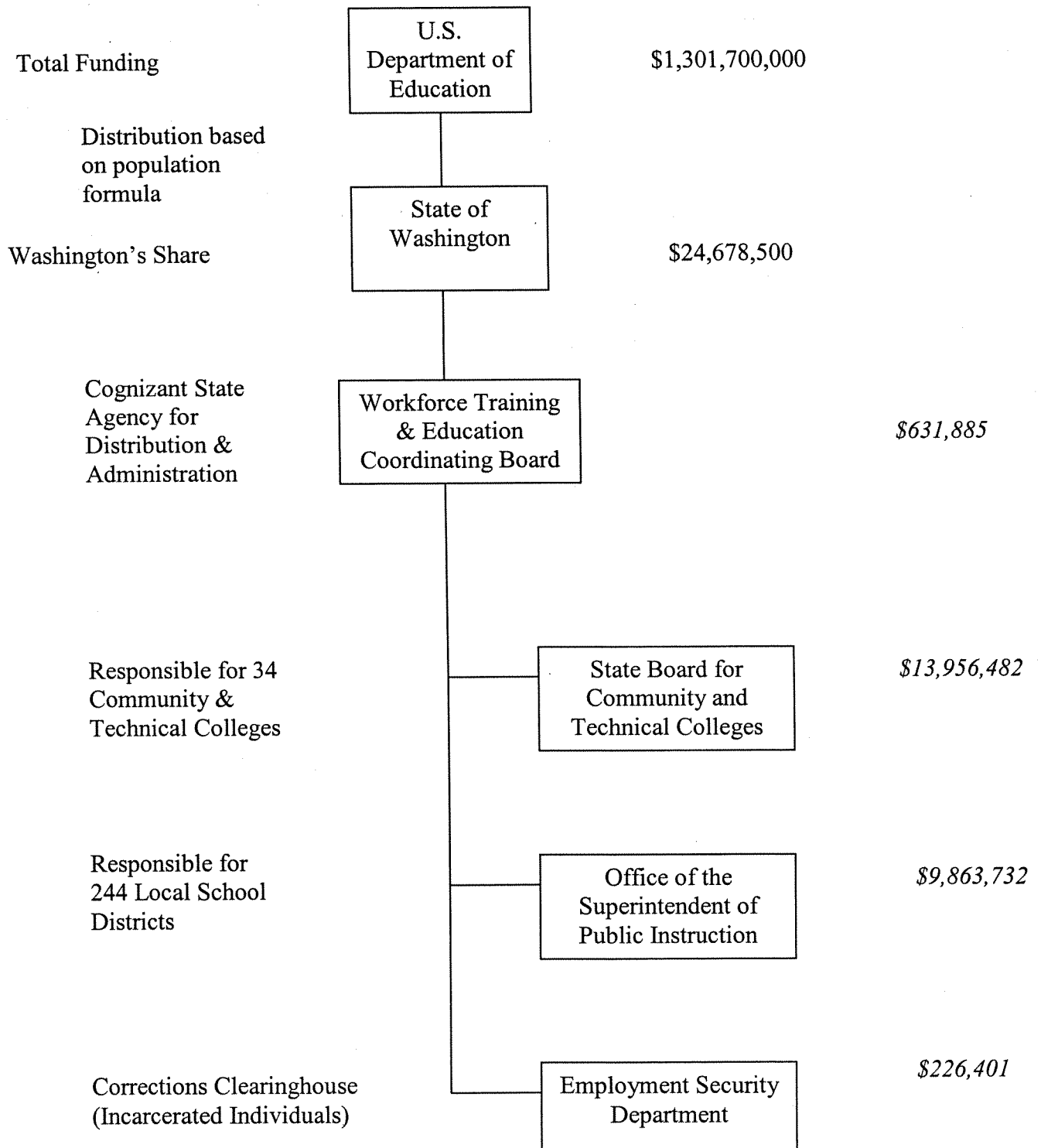
WHEREAS, The Workforce Training and Education Coordinating Board intends to continue the distribution from the current year, including: postsecondary/secondary split of 56% to 44%, including the ten percent reserve for Basic Grants; same dollar amounts for the three agencies for State Leadership, including contributions for non-traditional training and institutionalized services and Administration (with required state match);

NOW, THEREFORE, BE IT RESOLVED, That the Workforce Training and Education Coordinating Board approve the Distribution of PY 2004 Federal Vocational Education Funds (July 1, 2004, to June 30, 2005) and enter into agreements with its partner agencies to distribute the funds in accordance with the fund distribution matrix.

BE IT FURTHER RESOLVED, That the Workforce Training and Education Coordinating Board adopt the Advance Planning Schedule for future planning of the federal vocational education funds.

Carl D. Perkins Vocational & Technical Education Act
Federal Funding Flow Chart

2004 Appropriation



Proposed Distribution of PY 2004
Federal Vocational Education Funds
July 1, 2004 – June 30, 2005

	OSPI	SBCTC	WTECB	ESD	TOTAL
Title I					
Basic Programs (Funding for Local Distributions)	<u>\$8,467,407</u>	<u>\$10,776,700</u>			\$19,244,107
Postsecondary 56% (Formula)		\$9,699,030			
Secondary 44% (Formula)	\$7,620,666				
Reserve (State Grants)	\$846,741	\$1,077,670			
State Leadership (Assessment & Research, Technology & Improved Programs, Partnership & Articulation, Special Populations & Career Guidance, Professional & Curriculum Development, & Technical Assistance)	<u>\$1,118,644</u>	<u>\$823,088</u>	<u>\$95,880</u>	<u>\$226,401</u>	\$2,264,013
State & Local Level Activities	\$1,043,644		\$95,880		
Nontraditional Services (Required)	\$75,000			\$226,401	
Institutionalized Services (Required)					
Administration (State Planning & Coordination, Fiscal & Audit, Reporting & Accountability, Monitoring & Evaluation, Technical Assistance)	<u>\$277,681</u>	<u>\$318,320</u>	<u>\$536,005</u>		\$1,132,006
State Match (Required)	\$277,681	\$318,320	\$536,005		
Total	<u>\$9,863,732</u>	<u>\$11,918,108</u>	<u>\$631,885</u>	<u>\$226,401</u>	<u>\$22,640,126</u>
Title II					
Tech Prep Programs (Funding for Local Distribution)		\$1,936,455			
Administration (Same as above)		\$101,919			
Total		<u>\$2,038,374</u>			<u>\$2,038,374</u>
Grand Total	<u>\$9,863,732</u>	<u>\$13,956,482</u>	<u>\$631,885</u>	<u>\$226,401</u>	<u>\$24,678,500</u>

FEDERAL VOCATIONAL EDUCATION FUNDS

July 1, 2004 – June 30, 2005

Summary of Explanatory Information

The Carl D. Perkins Vocational and Technical Education Act includes mandated distribution of available funding as described below.

The bulk of the resources flow to the local level. Basic programs are funded at 85 percent. There are both required and allowable uses of these funds. Funds flow to local recipients (school districts and skills centers and community and technical colleges) through the Office of Superintendent of Public Instruction (OSPI) and State Board for Community and Technical Colleges (SBCTC) according to statutory formulas. The secondary/postsecondary split remains 44/56 percent. The law allows a 10 percent reserve of these funds to be exempt from the formula distribution requirements. This reserve may be used for rural areas, areas with high percentages or numbers of voc-tech students and communities negatively impacted by changes in Perkins III. Both the secondary and postsecondary systems have the full 10 percent available to them.

State Leadership is limited to 10 percent. Each agency maintains some Leadership funds for state level staff and other costs which when combined with Administration remains unchanged from previous years and is provided to each agency using the existing distribution formula. The remaining Leadership funds are shared equally between secondary and postsecondary to fund activities either directly undertaken by the agency or distributed to local recipients for targeted purposes. Required setasides include non-traditional activities (\$150,000 equally distributed to secondary and postsecondary) and the setaside provided to the Employment Security Department, Corrections Clearinghouse for programs for incarcerated youth and adults, including preparing offenders for eventual placement into mainstream employment and mini-grants for creative innovations and staff development (\$226,401). When fully combined, OSPI receives \$1,118,644; SBCTC receives \$823,088; and the Workforce Training and Education Coordinating Board (Workforce Board) receives \$95,880. In addition to the required preparation for non-traditional training and employment activities, OSPI uses its Leadership funds for career and technical education program standards reform work, skills standards collaboration, promoting transition beyond high school (5 P's – career pathways, portfolios, senior project, 13th year plan, and involvement of parents). SBCTC uses its funding to support regional clusters work, linkages with economic development, program improvement through best practices and innovations, integration of occupational and basic skills, conference support, and the required non-traditional services. Other uses for both delivery systems include professional development, curriculum development, assessment and accountability, and student leadership organizations. The Workforce Board uses its share to publish and distribute *Where Are You Going* and for advocacy and the promotion of career and technical education

Administration is limited to 5 percent and requires a dollar for dollar match. Each agency uses general fund state appropriations to meet this requirement. The Workforce Board is the designated state board for vocational education and is responsible for fund distribution, overall grant administration, including federal fiscal and programmatic reporting, evaluation and accountability activities, and liaison with the U.S. Department of Education. The Workforce Board uses an appropriate share for its work in unified planning, accountability, and system

performance management activities. These include: *High Skills, High Wages: Washington's Strategic Plan for Workforce Development; Workforce Training Results and Net Impact Study; The Gap Between Demand, Supply, and Results for Postsecondary Workforce Education; Demand, Supply, and Results for Secondary Career and Technical Education; The Workforce Development Directory; and Annual Progress Report to the Legislature.*

OSPI and SBCTC have responsibility for administration of their local recipients (244 local school districts and 34 community and technical colleges). This includes approval of local plans, fiscal and program compliance, monitoring, and other administrative activities.

Tech Prep programs combine two years of secondary education with two years of postsecondary education in a non-duplicative sequential course of study. SBCTC administers the programs and promotes articulation agreements between colleges and high schools in Tech Prep consortia. Tech Prep includes 5 percent for administration and 95 percent for programs.

Advance Planning for Carl D. Perkins Uses of Funds

In order to provide an opportunity for the Board to fully understand the history of federal funding for career and technical education, the current practices including uses of the funds and outcomes, and future planning considerations, the following tentative timeline for Board discussion and involvement is suggested.

<u>Board Meeting</u>	<u>Activity</u>
May 2004	Board adopts the 2004 Federal Distribution Matrix
June 2004	Background presentations on current uses and outcomes of the Perkins funds and Board guidance to staff on needed analysis
July/August 2004	Staff work with OSPI and SBCTC to respond to Board's direction
September 2004	Board discusses draft options for targeting investments
November 2004	Board takes action on priorities for agency planning guidelines
Winter 2004-05	OSPI and SBCTC send out planning guidelines
May 2005	Board adopts final 2005 Federal Distribution Matrix (when allocations are known)

TAB 8

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 97
MAY 13, 2004**

**HIGHER EDUCATION COORDINATING BOARD
2004 STRATEGIC MASTER PLAN FOR HIGHER EDUCATION**

The Higher Education Coordinating Board (HECB) is continuing the process of developing the 2004 Strategic Master Plan for Higher Education. At the May meeting, the Workforce Training and Education Coordinating Board (Workforce Board) will hear from a representative of the HECB regarding the draft final plan.

In this tab are the "Preliminary Policy Proposals" being considered by the HECB. A draft final plan is not yet available for review. The draft final plan may be available either shortly before the Workforce Board meeting or at the meeting itself.

Also included in this tab is the Workforce Board's response to the Draft Interim Plan (minus the response on the proposal merger of boards, something that the HECB is no longer proposing). This response may help the Board in analyzing the draft final plan.

At the May meeting, the Workforce Board will have the opportunity to provide some immediate feedback to the HECB. It is anticipated that at the June meeting the Board will adopt a formal response. The HECB is scheduled to adopt the plan later this summer.

Board Action Required: None. For informational purposes only.

2004 Strategic Master Plan for Higher Education
Preliminary Policy Proposals
Discussion draft for HECB meeting – March 25, 2004

This document contains preliminary descriptions of the significant policy proposals that are being considered for the final version of the Higher Education Coordinating Board's (HECB) 2004 Strategic Master Plan for Higher Education.

Goal 1: Increase opportunities for students to earn degrees – increase by about 20 percent the total number of students who earn college degrees and complete job training each year.

Goal 2: Respond to the state's economic needs – expand opportunities in high-demand fields; increase state funding for university research; and increase the number of students who complete job training programs and the proportion of basic skills students who demonstrate skill gains.

Policy Proposals

1. **Enrollment allocation initiative** – There is a strong legislative expectation that the board will recommend how much new enrollment capacity is needed; when and how it should be apportioned based on geography, educational sector, state economic needs, and other factors. Cost estimates are expected to accompany the cost of the components of the enrollment recommendation. This directly supports Goal 1 by providing the capacity for more students to earn degrees and Goal 2 by addressing economic needs.
2. **Regional planning models** – The Legislature supports the board's commitment to identify regional higher education planning and decision-making models that promote collaborative, multi-institutional working relationships to respond to statewide goals and priorities. Currently, higher education planning models exist in the Spokane and Vancouver areas, and perhaps elsewhere. Responsibility for acting on this recommendation would rest with colleges and universities in each region. This directly supports Goal 2 by identifying regional needs.
3. **Increase degrees in high-demand fields** – The board will recommend that a portion of all new enrollments be dedicated to competitive grants in high-demand fields, with funding to reflect the higher cost of most high-demand programs. The board also will propose an ongoing method of identifying high-demand fields and programs based on student and employer needs and master plan goals. This directly supports Goal 2 by identifying and responding to the economic needs of the state.
4. **Flexibility for branch campuses and CTCs** – The board will propose a system under which branch campuses could offer selected lower-division classes, doctorate programs, and/or evolve into four-year universities, and community and technical colleges could offer selected upper-division courses, baccalaureate degrees, and/or become four-year institutions. This supports both master plan goals by promoting students' degree completion and addressing regional needs.

5. **Fund student success, not enrollment** – A new higher education budgeting model will be developed, based on the number of degrees conferred (outcomes) instead of the current enrollment-based model (inputs). This will directly address Goal 1 for state budgeting and accountability purposes.
6. **Financial aid** – The board will propose a new financial aid program to serve students who work while attending college part-time. The board also will promote the use of existing aid programs to advance the goals of the master plan and will estimate the cost of achieving the board's service goals for the State Need Grant (65 percent MFI, 100 percent of tuition) and Promise Scholarship (full funding of community and technical college tuition for two years). This will assist in accomplishing Goal 1 and Goal 2 by enabling students to earn degrees and respond to the state's economic needs.
7. **Statewide articulation and transfer** – The board will address creation of a unified statewide system to help students understand transfer requirements and successfully articulate between institutions. This approach would be consistent with the direction to the HECB in HB 2382 to create a statewide course equivalency system. This will improve efficiency in the transfer process directly aiding Goal 1.
8. **Three-year baccalaureate degree pilot** – The board may propose incentives to universities that enable students to receive a baccalaureate degree in three years. There would be a strong incentive for the four-year institutions to pilot this approach if the state's funding system rewarded degree completions. Having such degree options will increase the opportunities for students to earn degrees and thus aid Goal 1.
9. **Align high school graduation and college admission requirements** – The HECB has begun to review the state's four-year college minimum admission standards. Alignment of K-12 graduation and college admission standards is a significant consideration in that project. Such alignment would improve the efficiency of the higher education system and help to attain Goal 1.
10. **Reduce remedial instruction for recent high school graduates** – The board will propose specific state actions to increase the number of recent high school graduates who are capable of performing college-level work without remediation when they enroll in a post-secondary institution. Again, this will improve the efficiency of students being able to earn degrees and will promote Goal 1.
11. **New accountability/performance measurement** – The HECB and the Legislature have identified the need for a new accountability system linked to the goals and strategies in the master plan. This proposal would be consistent with a number of current initiatives, including the work of the National Collaborative for Postsecondary Education, the Governor's Priorities of Government exercise, and HB 3103, which includes specific direction in this regard. This will improve the state's ability to measure progress toward the overall master plan goals and the effectiveness of specific strategies.
12. **Comprehensive data and information management** – The HECB should be the state's primary source of student-focused information about higher education. HB 3103, as passed by the Legislature, describes a process for this to take place. The board's plan will take into account the strengths and weaknesses of existing systems of data collection and information sharing. This will support the state's performance measurement requirements and the evaluation of the success of the master plan and its components.

Workforce Training and Education Coordinating Board

Responses to the 2004 Strategic Master Plan for Higher Education Draft Interim Plan, October 30, 2003

The Workforce Training and Education Coordinating Board (Workforce Board) offers the following responses to the October 30, 2003, Draft Interim Plan for the 2004 Strategic Master Plan for Higher Education. We stand ready to work closely with the Higher Education Coordinating Board (HECB) on meeting the education and training needs of Washington's citizens.

Important New Steps

The Draft Interim Plan includes a number of excellent proposals that are consistent with policies advocated by the Workforce Board, and contained in *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*. Making "Respond to the state's economic needs" one of the two goals in the HECB Plan puts workforce development at the forefront of planning for higher education in Washington, a move that we applaud. These elements can be strengthened even further.

- 1. Increase in Workforce Training:** The Draft Interim Plan calls for an increase in the overall number of students who complete workforce training. The Workforce Board has made this goal even more specific recommending there should be an increase in the number of students that complete workforce training at the sub-baccalaureate level in order to meet employer demand. This recommendation is included in "High Skills, High Wages," as Strategy 1.4.1. As the HECB continues work on the Plan, it should update the data in the Interim Plan to reflect the Workforce Board's latest analysis (due to the Governor and Legislature in 2004) of the number of student Full-Time Equivalents (FTEs) required in order to meet employer demand by 2009-2010. The figures in the Draft Plan also require some technical corrections. The number of student FTEs required in workforce training at community and technical colleges is likely to be substantially larger than shown in the Draft Interim Plan.
- 2. Outcome-Based Goals:** The Draft Interim Plan moves the Master Plan for Higher Education away from a focus on inputs (student participation rates) and toward a focus on outcomes (number of degrees produced and number of newly prepared workers). This is a positive development that is consistent with the Workforce Board's own focus on results and impact.
- 3. High-Demand Fields:** The Draft Interim Plan calls for an ongoing policy of allocating some new student enrollments to high-demand fields of study. This proposal was advocated by the Chair of the Workforce Board, David Harrison, in a letter to the co-chairs of the Engrossed Substitute House Bill 2076 Legislative Workgroup, and is part of "High Skills, High Wages," Strategy 1.4.1. It would be useful for the Plan to explicitly indicate that high demand means fields of study where employer demand exceeds the supply of student completers. Also, while the Draft Interim Plan would "recognize higher instructional costs" of high-demand fields, it is not clear if this would be limited to only the additional student FTEs earmarked for high-demand fields. While such an approach is a

good start, it may not be enough to overcome existing financial disincentives to institutions offering costly technical programs. Consideration should be given to broader changes in basic funding methods, not just enhanced funding of additional high-demand FTEs.

4. **Adult Basic Skills Education:** The Draft Interim Plan recognizes the economic importance of improving basic skills of adults who function at low levels of literacy. Again, this is something that the Workforce Board has advocated and is included in “High Skills, High Wages.” This includes Strategy 3.4.3 to integrate adult basic skills instruction with occupational skills training. This may be the goal of your recommendation, “Support the State Board for Community and Technical Colleges strategies to increase student success in job training and basic skills.” This, however, should be clarified.
5. **Applied Science Degrees:** The Draft Interim Plan would permit comprehensive institutions to offer more bachelor of applied science degrees. “High Skills, High Wages,” Strategy 1.4.4 calls for an increase in the availability of applied degrees especially in science technology, engineering technology, and information technology. This increased availability, however, should not be limited to comprehensive four-year institutions.
6. **Financial Aid for Part-Time Student/Workers:** The Draft Interim Plan calls for the creation of a new financial aid program to support adults who work full-time and go to college part-time. While the Workforce Board has not previously taken an explicit position on such a proposal, it is very consistent with the Workforce Board’s interest in expanding training opportunities for current workers, and addresses a serious gap in public financial aid programs.
7. **Accountability:** The Draft Interim Plan would “Use benchmarks and performance indicators to effectively measure results,” and “Strengthen and improve the consistency of higher education data systems.” These steps would be consistent with the performance accountability system in place for workforce development as described in “High Skills, High Wages.” The Workforce Board has established consistent performance measures and data collection requirements, and has set performance targets for workforce development programs, including workforce training at community and technical colleges.

Further Options for the Plan

While the Draft Interim Plan contains many fine proposals, there are some additional items that would strengthen it.

1. **Worker Retraining:** As noted in David Harrison's letter to the Engrossed Substitute House Bill 2076 Legislative Workgroup, "Responding to economic development means that higher education must have the capacity to retrain dislocated workers who need new skills in order to keep pace with economic change. This will be an increasing need in the future." This point is reinforced by a new Federal Reserve Bank of New York study (Groshen and Potter, August 2003) that finds there is a growing permanent relocation of jobs from some industries to others. The Draft Interim Plan makes no mention of the need to retrain dislocated workers. We believe that meeting this increasing need should be added.
2. **Economic Clusters:** The Governor's Cabinet on Economic Vitality and three state agencies involved in workforce development (the State Board for Community and Technical Colleges, the Workforce Training and Education Coordinating Board, and the Employment Security Department) have been moving toward an economic cluster-based approach. Resources are being targeted to key clusters of the economy that the market has demonstrated provide the best opportunity for economic growth. These represent critical ways to boost the recovery of Washington's economy. While the Draft Interim Plan speaks of regional collaboration and problem-solving, it makes no mention of key economic clusters. Assisting key economic clusters should be an integral part of regional planning and collaboration.
3. **Data on Job Openings:** The Draft Interim Plan sets, as one of two goals, the goal to "Respond to the state's economic needs." The Draft, however, does not once provide any data regarding job openings in the state and the educational requirements to fill them. While the Workforce Board analyzes the supply and demand for jobs with educational requirements at the sub-baccalaureate level, no entity does this on a regular basis at the baccalaureate level or above. This is a huge gap in educational planning, and one that the Master Plan should correct.